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United States Savings Bonds Seminar

Seminar Leader's Guide

ERRATA/UNITED STATES SAVINGS BOND SEMINAR

3/16/89

LEADER'S GUIDE

PAGE 29 - **I.A.**, "Bonds that can be redeemed by paying agents"

Add item:

"-- The payee is named as beneficiary and presents evidence of the owner's death, such as a certified copy of owner's death certificate."

I.B., "Bonds that paying agents may not redeem"

Item three should be changed to read:

"-- any Bond requiring documentary evidence, except Bonds registered in beneficiary form presented by the registered beneficiary with proof of the registered owner's death, such as a certified copy of a death certificate. See above.

PAGE 34 - **POST TEST**

Change first sentence of answer "7" to read:

7. The only person entitled to have a bond cashed by a paying agent is the **registered owner, coowner, or beneficiary presenting proof of the owner's death**.

PAGE 45 -**OVERHEAD MASTERS**
(Be sure to change masters themselves.)

OH-10

Add bullet:

"-- The Payee is Named as Beneficiary and Presents Evidence of Owner's Death"

OH-11

Change item four to read:

"-- Any Bond Requiring Documentary Evidence, Except Beneficiary Bonds"

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United States Savings Bonds Seminar

Seminar Leader's Guide

This seminar, initially created by the Treasury Department in conjunction with the American Institute of Banking, was first revised by the American Bankers Association to reflect changes occasioned by the introduction of Series EE and Series HH Savings Bonds. The current revision also reflects changes occasioned by the introduction of market-based interest rates and interest-reporting requirements.

4th Edition

Section I:
Introduction

Purpose of the Seminar

This seminar is designed to provide bank employees with the knowledge and resources they need to issue and redeem U.S. Savings Bonds correctly and to respond accurately to routine customer inquiries about Savings Bonds. The program does not attempt to describe in detail the specific procedures for all Savings Bonds transactions. Instead, the seminar focuses on (1) describing and explaining the major features and advantages of Savings Bonds and (2) identifying the primary requirements necessary for issuing and redeeming Savings Bonds correctly.

Audience

This seminar is designed primarily for bank employees who issue and redeem U.S. Savings Bonds. No previous knowledge or experience is required. Other bank personnel who need a current and clear understanding of what Savings Bonds are and how they work will also benefit from the seminar. Since this program reflects recent changes in interest rates and interest reporting requirements, even experienced bond tellers and those who have attended previous seminars may find portions of the program very useful.

Objectives

Specific learning objectives for each segment of the seminar are presented in Section II of this *Guide*. At the completion of the seminar, the participants should be able to:

- Identify the primary goals and features of the Savings Bonds Program
- Name and discuss the major advantages of bond ownership
- Identify and distinguish between the types of Savings Bonds currently being issued
- Identify the basic requirements for issuing a Series EE Bond correctly
- Explain the major features of the market-based interest rate
- Identify the conditions of eligibility for the market-based rate
- Identify and discuss the major tax advantages of Savings Bonds
- Determine whether a given Savings Bond is eligible for redemption by a paying agent
- Identify the requirements necessary for redeeming a Savings Bond correctly
- State the basic interest reporting requirement for Savings Bonds
- Determine the total amount to be paid and the amount of interest included in a Savings Bond redemption transaction.

Overview of the Seminar

Content. The seminar is divided into five separate parts:

Part I: Introduction
Part II: The Savings Bonds Program
Part III: Issuing Series EE Savings Bonds
Part IV: Major Features and Customer Benefits of Savings Bonds
Part V: Redeeming U.S. Savings Bonds

These five segments represent a total of approximately four hours of instruction. The seminar may, however, be adapted to a variety of schedules and formats, and each segment (except for Part I) can be presented separately. (For more detail see "Seminar Schedules and Formats" later in this Introduction.)

Methodology. The seminar uses several instructional methods:

- **Lecture** is used to explain new concepts and convey information.
- **Group discussion** is used to encourage participants to recall and share knowledge they already have and to discuss effects, advantages, etc., of the material presented.
- **Small group discussions** may be used at the leader's option to develop and communicate the experiences and needs of the participants.
- **Practical exercises** give participants a chance to apply their new knowledge and to test their comprehension.

Materials.

- **Visual Aids:** Section IV of this *Guide* contains masters from which overhead transparencies may be made using thermofax equipment. If overhead projection equipment is not available, the masters may be duplicated and copies distributed as handouts whenever appropriate to reinforce major concepts and for use in class discussions.
- **Practical Exercises:** All materials necessary for the practical exercises are included in Section IV of this *Guide*. The materials should be duplicated in advance and distributed at the appropriate times.
- **"U.S. Savings Bonds Seminar: Student Programmed Instruction,"** 4 th ed. This self-study book developed by the Treasury Department in conjunction with the American Bankers Association, is a perfect companion to the seminar. Although the seminar is not dependent on the self-study text, the leader will find it a valuable resource and may choose to refer participants to it at particular points during the seminar. It is also important to note that because of the seminar's time limitations and its group format, it cannot provide as detailed a description of transactions and procedures as can the self-study format. The programmed instruction book enables each individual to proceed at his or her own pace and to test mastery of each concept before moving to the next. Seminar participants should be encouraged to complete the self-study program as soon after the seminar as possible in order to reinforce the material presented in the seminar and to familiarize themselves with additional topics not covered in detail in the seminar.

Conducting the Seminar

Advance Preparation. Leading a seminar can be fun—and a satisfying learning experience for the participants and for the leader. Advance preparation keeps everything running smoothly and allows you to relax and to focus on the participants and the subject at hand. The following guidelines will help you prepare effectively for the seminar:

- Familiarize yourself with the seminar content and structure.
- Adapt the seminar content as necessary to meet any specific needs of your group.
- Locate a meeting place. The room should be an appropriate size for the group.
- Arrange for all necessary materials and equipment. (The presentation guides for each seminar segment detail the exact equipment and materials you will need.)
  - — If you are using overhead projection, be sure there will be an electrical outlet in the room, and arrange for a screen and a projector to be placed in the room prior to the seminar. It's a good idea to bring an extra projector bulb and extension cord with you and to test the equipment.
  - — Make sure there will be a flipchart and markers or a chalkboard and chalk in the room.
  - — Have copies made of all handouts.
  - — Obtain copies of *U.S. Savings Bonds Seminar, Student Book* for each participant.
  - — Obtain copies of any other resource materials you wish to use. (See "Additional Resources" later in this Introduction.)
  - — (Optional) Select a guest speaker to discuss the Savings Bonds Program. Be sure to provide your speaker with a copy of the presentation guide for Part II of the seminar and with accurate information about the time, place, and date of the program.

Creating a Comfortable Environment

The meeting room should be comfortable, spacious, and well-lighted. Give some thought, also, to the seating arrangement. An informal arrangement can do a lot to encourage everyone to participate in the seminar. Try to arrange the seating to meet the needs of your group and the format you are using. A large conference table may work well for a small group, while a number of small tables or moveable individual desks may be better for a large group or for breaking into smaller groups. If you are using individual desks, consider putting them in a circle instead of in rows.

At the beginning of the seminar, introduce yourself unless you already know all of the participants. Then have each student introduce himself or herself to the group.

Facilitating Discussion

Discussion is one of the most effective methods of instruction because it allows for a general exchange of information and ideas between the participants and you, the seminar leader.

For the trainees to learn, they must feel free to offer ideas and ask questions. As a discussion leader you must listen courteously to the views expressed. Encourage your trainees to do the same.

In conducting a discussion, remember that wise teachers do not regard themselves as infallible or able to answer every question. It may take courage to say, "I don't know" or "I'll look that up," but the group will appreciate your honesty.

Try to keep the discussion orderly by preventing trainees from raising new issues while others still wish to comment on old ones. Ask a trainee who introduces a new subject to wait while you inquire whether anyone has anything further to say on the previous topic. Don't forget to return to the trainee who raised the new issue before allowing anyone else to bring up still another topic.

When a trainee asks you a question, direct it back to the group as a whole for an answer. This not only encourages discussion but further contributes to an informal atmosphere.

Example
Student: "What should I do if a purchaser does not know his or her social security number?"
Seminar Leader: "That's a good question, Jim. Maybe the group can give some suggestions. What about it class? What should Jim do?"

If one participant begins to monopolize the discussions, try to bring in other participants by asking for their comments.

Summarize periodically to keep the discussion properly focused and within the allotted time.

Asking Questions. Many trainees are reluctant to speak up voluntarily. Others have difficulty finding a proper moment to express their thoughts. Even when they have an idea they would like to discuss, they wait for someone else to offer it. Try to draw these people into the discussion. A question as simple as "Do you agree with that observation?" will often reveal someone does, in fact, wish to speak.

In many cases, it is desirable to ask questions designed to elicit the information you want to get across, so that participants can discuss a particular topic rather than passively listen to a lecture. Questions should come casually and follow naturally in response to what has been said, so that you do not give the appearance of forcing the discussion. After you direct a question to the group, it is a good idea to pause a few seconds until all have presumably framed an answer, then call on a volunteer or a selected student. If you call on a student before asking the question, the others may relax instead of thinking of their own answers.

Finally, don't fish for an answer. If a question has been clearly stated and no one in the group can answer it, don't belabor it. Answer it yourself.

Restating and Summarizing. Trainees' comments and/or answers may be often imperfectly expressed. When an answer is only partially correct, focus on the part that is right before correcting the part that is in error.

After the student has given an answer, it is usually a good idea to restate it for the group. Restatement serves two purposes: It clarifies the statement for the group and gives the trainee a chance to correct or expand it.

Example
Student: "Well, one day a customer walked up to my window and wanted to buy a Series HH Bond but she..."
Seminar Leader (after the student has completed the answer): "As I understand it, you're saying that..."

A useful form of restatement is a brief summary of the entire discussion, particularly if it has covered a number of issues, some of which were raised early in the session and may have been forgotten. If possible, identify the ideas in the summary with the names of the students who first suggested them. This recognition reinforces those who have participated in the discussion.

Lecturing. When lecturing, remember that your voice and manner are important teaching tools:

- Vary the tone, pitch, and volume of your voice.
- Make sure everyone can hear you.
- Speak at a rate that allows the trainees to think about what you are saying.
- Pause to emphasize or anticipate ideas.
- Stand up and move about frequently (but don't pace!).
- Use natural and expressive gestures.
- Make eye contact with individual students.
- Give students frequent opportunities to ask questions.
- Write important points on the blackboard or flipchart.
- Use visual aids to reinforce main points.

Additional Resources

Publications. The following materials published by the U.S. Savings Bonds Division will be helpful to you in preparing for the seminar, and you may wish to obtain copies to provide to the participants:

- "Facts About Series EE & HH Savings Bonds/Questions and Answers About U.S. Savings Bonds"
- "Facts About U.S. Savings Bonds"
- "50 Questions and Answers on U.S. Savings Bonds"
- "The Book on U.S. Savings Bonds"
- "Legal Aspects"
- "*The Bond Teller,*" a quarterly newsletter for customer service personnel that discusses important issues and new developments in Savings Bonds.

See also "Appendix D: Resource Guide" in *U.S. Savings Bonds Seminar: Student Programmed Instruction*, 3rd ed.

Speakers/Resource People. There are probably several people in your community who are involved in the Savings Bonds Program. Many may be volunteers who assist in the promotion of U.S. Savings Bonds. They would probably appreciate the opportunity to tell others about the goals of the Program and the benefits it provides. Contact the County Chairman of the Savings Bonds Program or call your District Savings Bonds Office for names of people who might be available to speak.

Using the Seminar Leader's Guide

The *Guide* is divided into four sections: **Section I**, "Introduction," contains descriptive information about the seminar and guidelines to help you plan effectively. **Section II** contains detailed presentation guides for each of the five seminar segments. The first page of the presentation guide for each segment specifies the time requirements, learning objectives, and materials needed for that portion of the program. Subsequent pages use a two-column format: The column on the left, headed "Session Outline," provides a running outline of the content to be covered. Necessary materials are noted in parentheses at the appropriate points in the outline. The column on the right, headed "Presentation Suggestions," contains detailed notes on the concepts to be covered. **Section III** contains the Post-Test answers. **Section IV** contains transparency masters and handouts used in the seminar.

Seminar Schedules and Formats

Standard Format: The entire seminar is designed to be presented in approximately four hours. The program is, however, designed to be flexible and can be adapted to many schedules and time constraints.

topic	time required
Part I: Introduction	15 minutes
Part II: The Savings Bonds Program	35 minutes
Part III: Issuing Series EE Bonds	60 minutes
Part IV: Major Features and Customer Benefits of Savings Bonds	65 minutes
Part V: Redeeming U.S. Savings Bonds	60 minutes
	235 minutes = 3 hr. 55 min.

Using the standard format, the seminar may be presented as a half-day program, as four one-hour segments, or as two, two-hour segments. It will, therefore, adapt well to a lunchtime or evening format.

Abbreviated Format 1: The seminar can be shortened if necessary. The sample abbreviated formats provided below should be considered only suggestions. Consider the specific needs and experience level of the participants. When using an abbreviated format, it is very important that the self-study book be provided to the participants to compensate for omissions and condensations.

topic	changes to standard format	remaining time required
Part I	Omit discussion of participant objectives.	10 minutes
Part II	Omit guest speaker.	15 minutes
Part III	Omit "Additional Requirements for Issuing Savings Bonds."	45 minutes
Part IV	Omit discussion of savings plans.	50 minutes
Part V	Omit introductory exercise and calculation exercise.	40 minutes
		160 minutes = 2 hr. 40 min.

Abbreviated Format 2: When there is a need to upgrade and update the knowledge of experienced bank personnel, it may be desirable to omit discussions of the basic requirements for issuing and redeeming Savings Bonds and to focus on changes and new developments. The following suggestions may help you to use this guide to construct a program that will meet their particular needs. Such a program could be presented in 1½-2 hours, depending on the participants' prior knowledge and experience.

Part I: Modify to reflect altered objectives.
Part II: Condense—Review basic goals of the Savings Bonds Program and discuss its current status.
Part III: Begin with Practical Exercise 1 to check the participants knowledge and review any requirements that need explanation. Summarize major requirements listed in the "Conclusion."
Part IV: Focus on the market-based interest rate, omitting other topics.
Part V: Review briefly the requirements for redeeming Savings Bonds. Focus on the more stringent requirement that the payee's social security number be obtained before cashing the bond and on the new interest reporting requirements.

Section II:
Seminar Presentation Guides

Part I: Introduction to the Seminar

Time Required: 15 minutes.

Objectives: At the end of this portion of the seminar, the participants should be . . .

- familiar with the schedule and logistics of the program
- able to identify the goals and objectives of the seminar.

Approach/ Methodology: lecture and group discussion.

Equipment/ Materials/ Resources Needed:

- overhead projector and screen
- OH-1 "Goals"
- OH-2 "Objectives"
- flipchart and marker or chalkboard and chalk.

Part I: Introduction to the Seminar

Session Outline	Presentation Suggestions
I. Welcome and Introductions	• Introduce yourself and welcome participants to the seminar. • Introduce any guests. • Ask participants to introduce themselves and to identify their banks.
II. Seminar Goals and Objectives	
A. Goals (OH-1 "Goals")	• To introduce the participants to the seminar, note that the seminar has two primary goals: 1. To help participants issue and cash U.S. Savings Bonds correctly 2. To provide participants with the knowledge and resources they need to respond accurately to customer questions about Savings Bonds.

Session Outline	Presentation Suggestions
B. Learning Objectives (OH-2 "Objectives")	• Explain the seminar's learning objectives: At the end of the seminar, participants should be able to... —identify the goals and features of the Savings Bonds Program —identify the basic requirements for issuing and redeeming Savings Bonds correctly —identify and explain the major features and customer benefits of Savings Bonds, including market-based interest rates and tax advantages.
	• Note that the seminar will focus on **fulfilling requirements** and **customer service**—not on procedural details. —Introduce *U.S. Savings Bonds Seminar*, a self-study booklet using programmed instruction, which contains an explanation of all basic procedures. —Encourage participants to work through the self-study exercises as soon as possible after the seminar. —If you intend to refer to the self-study book during the seminar, you may wish to distribute the copies now.
C. Participants' Objectives (Flipchart and marker)	• Ask students to identify their objectives in attending the seminar. —Note any tie-ins with the program's stated objectives. —Record any objectives which are not among the program's stated objectives. If you can meet these during the seminar, do so; if they are beyond the scope of the seminar, try to refer the student to a helpful resource.
III. Seminar Logistics (Handouts of seminar schedule prepared in advance)	• Explain any necessary logistics, including... —times of breaks, adjournment, etc. —any ground rules you wish to establish for questions, discussions, etc.
IV. Conclusion of this segment	• Take a few minutes to answer any questions before moving to Part II.

Part II: The Savings Bonds Program

Time Required: 35 minutes.

Objectives: At the end of this portion of the seminar, the participants should be able to . . .

- identify the goals of the Savings Bonds Program
- describe the basic features of the Program's success
- describe the kinds of personnel involved in the Program
- name and explain three major advantages of bond ownership.

Approach/ Methodology: lecture and group discussion.
Optional guest speaker. Section I of this *Guide* provides suggestions for possible guest speakers.

Equipment/ Materials/ Resources Needed:

- flipchart and marker or chalkboard and chalk
- overhead projector and transparencies of OH-3 and OH-4; screen.

If a guest speaker is scheduled to present this material, he or she should be provided—in advance—with a copy of this portion of the *Leader's Guide*.

Part II: The Savings Bonds Program

Session Outline	Presentation Suggestions
I. Goals of the Savings Bonds Program (flipchart and marker) (OH-3 "Goals of the Savings Bonds Programs")	• To introduce the topic of "Goals," consider asking the class to identify several advantages Savings Bonds have for our economy—our government. Record answers on a flipchart. • Point out the two major goals of the Savings Bonds Program: —To meet economic needs through a. encouraging thrift among citizens b. providing sound management of the public debt —To broaden the base of the public debt a. Placing a substantial part of the debt with a large number of small savers results in a more stable debt structure. b. Purchase of Savings Bonds by individuals is a low cost form of government borrowing.
II. Success of the Savings Bonds Program	• Current sales: —Current yearly sales = _____ —number of individual bonds purchased yearly = _____ • Total Savings Bonds outstanding: —total dollars outstanding = _____ —Americans are earning approximately _____ per year in interest from Savings Bonds. —Turnover rate (redemptions as a percentage of total amount of bonds outstanding) is about 10%—less than half the turnover rate of other savings media.

Session Outline	Presentation Suggestions
III. Promotion of the Program	• More than $70 million donated annually by print, broadcast, and film media in the nationwide public service advertising compaign. • Publicity efforts include: —editorials —news and feature stories —in-plant campaigns —displays and special events.
IV. Personnel Involved	
A. Volunteers	• Volunteer programs and activities include national, state, and local programs: —U.S. Savings Bonds Volunteer Committee —National Organizations Committee —National Labor Committee. —State organization: state chairman and committee; local campaign chairmen. —Local organization: county chairmen and committees.
Professional Staff	• Professional staff totals less than 200 nationwide
V. Banks' Role in the Program	• Point out that banks and other financial institutions provide over 40,000 outlets that issue and redeem Savings Bonds as a public service. Some institutions also service the needs of the 38,000 companies operating the Payroll Savings Plan. • Emphasize the importance of banks as the providers of bond services. Banks provide an important service to the customer and to the national economy: —Banks make it **convenient** for citizens to purchase and redeem their bonds, providing people a convenient way to participate in financing the national debt. —Bonds provide customers a way to finance major purchases and expenses, such as: a. homes b. college education c. special occasions, such as weddings and vacations d. retirement e. emergencies f. other investments. • Ask participants what other advantages banks realize from issuing Savings Bonds. Discussion should identify the following: a. meeting a customer need b. opportunity for new business c. encouraging thrift habit (in customers who may also save by depositing in the bank's accounts) d. enhancing the public-service image of the bank.

Session Outline	Presentation Suggestions
VI. Advantages of Bond Ownership (OH-4 "Advantages of Bond Ownership")	• Initiate discussion by asking a question similar to the following: "We have noted that by issuing Savings Bonds, banks provide a service to their customers. What are the specific advantages to the customer of purchasing Savings Bonds?" Be sure the following points are brought out in discussion:
A. Safety	• Bonds are safe: —After an initial waiting period, bonds may be redeemed for the original investment plus interest earned to date. —If lost or destroyed, they can be replaced easily.
B. Convenience	• Bonds are convenient: —They provide a convenient means of regular, planned savings through the Payroll Savings Plan and Bond-A-Month Plans. —The nationwide network of qualified issuing and paying agents offer free information and service.
C. Rate of Return	• Bonds earn a favorable interest rate; Series EE Bonds now earn a market-based interest rate. —Bonds provide several tax advantages: a. Interest earned may be deferred until the bond is cashed. b. Bonds are exempt from state and local income and personal property tax. c. Series E and EE Bonds and Savings Notes may be exchanged for Series HH Bonds, which include a tax-deferral feature. d. Bonds bearing the name of a survivor are free from probate proceedings and are immediately owned solely by the survivor upon the death of the owner or one coowner. (Note that tax advantages will be discussed in more detail later in the seminar.)
VII. Conclusion	• Conclude this seminar segment by summarizing briefly (or asking the participants to summarize) the main points covered: —By issuing and redeeming Savings Bonds, banks provide an important service to their customers and to their nation's economy.

Part III: Issuing Series EE Savings Bonds

Time Required: 60 minutes.

Objectives: At the end of this segment, participants should be able to . . .

- identify the parties involved in a Savings Bonds transaction
- identify the types of U.S. Savings Bonds now being issued
- identify the parts of a Series EE Savings Bond
- identify the requirements for issuing a Series EE Savings Bond correctly.

Approach/ Methodology: lecture and group discussion, practical exercise.

Equipment/ Materials/ Resources Needed:

- overhead projector and screen
- transparencies made from OH-5, OH-6, OH-7, OH-8 and OH-9. (Copies of each may be used as handouts if you are not using an overhead projector.)
- copies of OH-5 for all participants. (Please note that if you are using copies instead of overhead projection, you will need two copies of OH-5 for each participant—one for the explanation of the parts of an EE Bond; another for the practical exercise.)
- flipchart and marker or chalkboard and chalk.

Part III: Issuing Series EE Savings Bonds

Session Outline	Presentation Suggestions
I. Introduction	• The introduction to this portion of the seminar should include: a. definition of a "bond" b. identification of the parties involved in a Savings Bonds transaction c. types of Savings Bonds now being issued. More detail about what to include in this introduction appear below.
A. Definition of a bond	• A bond is a certificate that represents a debt of one party to another. Thus, when someone issues a bond, he is **borrowing** money from the person who buys it. The bond, which the buyer holds, represents the issuer's promise to repay the amount borrowed, plus interest, at a specific time in the future.
B. Identification of the parties involved in a transaction	• Ask the participants to identify the **borrower**, the **lender**, and the **issuing agent** in the following transaction: Mrs. Sandra Parker enters the Main National Bank in Centerville, Iowa, and informs the teller that she wishes to buy a $50 U.S. Savings Bond. Mrs. Parker gives the teller $25 and the teller gives her a properly filled-in bond. Who is the borrower? (The U.S. Government) Who is the lender? (Mrs. Parker) Who is the issuing agent? (Main National Bank)

Session Outline	Presentation Suggestions
C. Types of bonds currently issued	• Point out that two types of U.S. Savings Bonds are currently being issued:
1. Series EE Bonds	• **Series EE Bonds** are issued by banks and other financial institutions ("issuing agents").
2. Series HH Bonds	• **Series HH Bonds** are issued only by Federal Reserve Banks and by the Bureau of the Public Debt in exchange for Series E/EE Bonds and Savings Notes.
	• Note that banks may forward exchange applications for HH Bonds to a Federal Reserve Bank or to the Bureau of the Public Debt. —**If more than one bank is represented in the class**, encourage participants to find out their bank's policy on helping customers acquire Series HH Bonds. —**If all participants are from the same bank**, explain the bank's policy on helping customers acquire Series HH Bonds.
D. Session Objectives	• Complete the introduction to this segment by explaining to participants that this segment of the seminar will focus on the **requirements** of issuing Series EE Bonds correctly. (Note session objectives listed on the first page of this section of the Leader's Guide.)
II. The Face of the EE Bond (OH-5, a blank Series EE Bond)	• Point out that Series EE Bonds are available in eight denominations: $50, $75, $100, $200, $500, $1,000, $5,000, and $10,000. • Using a transparency made from OH-5 (or copies of OH-5), identify the parts of a blank U.S. Savings Bond, Series EE. Note . . . —issuer —denomination (face value, face amount) —serial number.
III. Requirements for a Correctly Filled-In Bond (OH-6—a sample bond correctly filled in)	• Using a transparency made from OH-6 (or copies), explain the requirements for a correctly filled-in Series EE Bond. Be sure to include the following points:
A. Owner's Name	1. **Note that issuing agents (such as banks) may issue bonds only in the name of natural persons.** Bonds registered in the name of organizations must be issued by a Federal Reserve Bank or by the Bureau of the Public Debt. 2. Explain that Savings Bonds may be registered in the following forms: a. single owner form b. coownership form c. beneficiary form

Session Outline	Presentation Suggestions
	• Note that OH-6 shows the proper inscription for a single owner. Using a flipchart or chalkboard, demonstrate the correct inscription of the owner's name in cases of coownership (Mrs. Catherine Cramer OR Mr. Irving Cramer) and the use of a beneficiary (Mrs. Catherine Cramer POD Mr. Irving Cramer).
(OH-7—sample of a correctly filled-in gift bond)	3. Emphasize that the owner's social security number must be inscribed in the box provided above the owner's name. If the bond is a gift, the donor's social security number may be used. In this case, the word GIFT must be inscribed on the bond on a separate line beneath the last line of the inscription.
(OH-6)	4. Addresses must be complete, including zip code. 5. Use of courtesy titles (Mr., Mrs., etc.) is not required, but since they are valuable in establishing identity, use them when the customer does not object.
B. Issue Date	1. The issue date is the date from which the bond begins to earn interest. 2. The month and year are typed on the bond numerically using two digits for the month and four digits for the year. (According to Treasury regulations, the issue date is considered to be the first day of the month in which the bond is sold—even if the bond is actually sold on the last day of the month.)
C. Validating Stamp	1. The validating stamp must contain the actual date of issue and the code number of the issuing agent. 2. It may also contain the name and location of the issuing agent.
IV. Additional Requirements for Issuing Savings Bonds Correctly	
A. Assemblies	• Explain—and demonstrate if possible—that a bond assembly consists of... 1. a bond, and 2. a registration stub. When a Savings Bond is issued, the *bond* goes to the owner; the *stub* goes to the Bureau of Public Debt as a record.
(OH-8—visual depiction of a bond/stub assembly)	
B. Purchase Applications	• Note that issuing agents are required to keep purchase applications for at least four months. You may wish to pass out copies of the applications to familiarize participants with them, or you may refer participants to the sample application illustrated in the self-study book.
C. Accepting Payment	• Issuing agents are *required* to accept cash and/or U.S. Savings Stamps in payment for Series EE Savings Bonds. • Issuing agents *may* accept checks at their own risk. If participants represent more than one bank, encourage them to find out their banks' policy about accepting checks as payment for Savings Bonds. If all participants are from the same bank, explain the bank's policy.

Session Outline	Presentation Suggestions
D. Purchase Limitations	• There is a limitation on the dollar amount of Savings Bonds that an individual can purchase annually. For Series EE Bonds, the limit is *$15,000 issue price* (not face value).
E. Correcting Errors	• Explain how to handle errors made in inscribing a bond: —Do not correct any error by erasing or striking over, not even with a self-correcting typewriter. —If you discover an error while the bond and registration stub are still in the bank... 1. Process the incorrectly prepared bond as "spoiled in issue." (The employee's supervisor can explain the details of the procedure.) 2. Issue a new, correct bond assembly. —If an error is discovered after the stub has been sent to the Federal Reserve Bank, the correction must be made by the Federal Reserve Bank. (Refer participants to the self-study book and to their supervisors for procedures.)
V. Practical Exercise 1 (copies of OH-5 for all participants; copies of "Practical Exercise 1" for all participants; OH-9)	• Hand out copies of OH-5 (a blank Series EE Bond) and "Practical Exercise 1". Go over the directions (Practical Exercise 1) with the class. After 5 minutes, see if students are finished. Allow 2-3 additional minutes if necessary. Go over the exercise orally, asking various participants to explain how they inscribed the bond. Direct them to the chalk board or flipchart if necessary. Show OH-9, the same bond filled in correctly.
VI. Conclusion (flipchart and marker or chalkboard and chalk)	Conclude this portion of the seminar by reviewing the primary requirements for issuing a bond correctly. Ask students to list the requirements; record their contributions on a flipchart or chalk board. The final list should include the following: • The owner must be a natural person. • The owner's name, full address with zip code, and social security number must be inscribed (unless the bond is a gift, when the donor's social security number and the word "GIFT" may be used). • Issue date (month and year) must appear. • Validating stamp must have the actual date of issue and code number of issuing agent. • Registration stub and purchase application must be retained. • No more than $15,000 in issue price may be purchased annually by any one person. • Cash and U.S. Savings Stamps must be accepted as payment. • The inscription must be error-free, containing no erasures or strikeovers.

Part IV: Major Features and Customer Benefits of U.S Savings Bonds

Time Required: 65 minutes.

Objectives: At the end of this segment of the seminar, the participants should be able to:

- identify the major differences between Series EE and HH Bonds
- explain the major features of the market-based interest rate
- distinguish between bonds that are eligible for the market-based rate and those that are not eligible
- state the major tax advantages of Savings Bonds
- describe four savings plans that are based on those tax advantages.

Approach/ Methodology: lecture, group discussion, small group discussion (optional).

Equipment/ Materials/ Resources Needed:

- flipchart and marker or chalkboard and chalk
- copies of "Practical Exercise 2"
- briefing sheet: "Explaining the Market-Based Rate to Your Customer," Appendix B of "U.S. Savings Bonds Seminar."

Part IV: Major Features and Customer Benefits of U.S. Savings Bonds

Session Outline	Presentation Suggestions
I. Introductory Activity: What Customers Need to Know About Savings Bonds (flipchart and marker or chalkboard and chalk)	• The primary purposes of this part of the seminar are . . . 1. to increase the participants' "product knowledge" of Savings Bonds 2. to increase their awareness of the kinds of information needed by Savings Bonds holders and other customers 3. to emphasize the importance of and foster the development of good customer service. • To introduce this segment, develop a list of questions that Savings Bonds holders—and potential owners—need to know. You may elicit questions from the group either in general group discussion or by subdividing them into small groups. Ask them to put themselves in the customer's place: "If you owned or were considering the purchase of Savings Bonds, what questions would you have?" If using small groups... —ask each group to select a spokesperson who will report the group's findings —after 10 minutes, ask each group to share its conclusions with the class —record their responses on a flipchart or chalkboard.

If the list of questions suggested by the participants omits any of the following, add them before moving on:

1. What kinds of Savings Bonds are there? (How do I know whether to buy EE Bonds or HH Bonds?)
2. How much interest do they earn?
3. How long must I wait before redeeming them?
4. When do they stop drawing interest?
5. Are there any tax advantages?
6. What about the bonds I now own? How much are they worth now?
7. Where can I get more information about Savings Bonds?

- Using the questions developed by the class, discuss the major features and benefits of Savings Bonds as a savings/investment product. The following discussion guide is based on the above seven questions. If you wish to add other topics or if you desire more detail than is provided here, consult the self-study book *"U.S. Savings Bonds Seminar"* or any of the additional resources noted in this discussion or in the "Introduction" to this *Guide*.

II. Types of Savings Bonds Currently Available

- Since the seminar has already dealt with this question, the class should be able to answer it easily—Series EE and HH.

A. Major Features of Each

(Practical Exercise 2)

- Using "Practical Exercise 2," have the class identify specific differences between Series EE and HH Bonds. Let the class provide as much of the information as they can. Add any features they do not mention. A filled-in version of the table is included on page 47. (See also the self-study book for details.)

III. Savings Bonds Interest Rates

- If your comparison of Series EE and HH Bonds ends with "interest," use that as a natural lead-in to a discussion of how Savings Bonds interest rates work.

A. Market-based rate

(Briefing Sheet: "Explaining the Market-Based Rate to Your Customer," in the self-study book, "U.S. Savings Bonds Seminar," Appendix B).

- Note that the rate of interest is very important to both current and potential Savings Bond owners. Customers are especially likely to have questions about the market-based rate which has been in effect only since 1982. Participants are also likely to have questions.

1. Major features of the rate

- Explain that the market-based rate has four major features:
  1. It is variable. (It is calculated twice a year, on May 1 and November 1, by the Treasury Department.)
  2. It is based on rates paid by marketable Treasury securities, such as Treasury notes and bonds. (The rate is 85% of the average yields of these Treasury securities during the previous six months.)
  3. There is a guaranteed minimum interest rate below which the rate will not fall (currently 6.0%), if the eligible bond has been held at least five years.
  4. In order to earn the market-based rate or the guaranteed minimum rate, Savings Bonds must meet certain eligibility requirements.

Session Outline	Presentation Suggestions
2. Eligibility for the market-based rate	• There are three main points to make here: 1. **Series EE Bonds issued on or after November 1, 1982,** become eligible for the market-based rate or the guaranteed minimum rate when they have been held five years. 2. **Older Series E and EE Bonds and Savings Notes** are eligible for the market-based rate if they meet two tests: a. They must be held until their first interest-accrual period on or after November 1, 1987 (five years after November 1, 1982). b. At that time, the bonds must still be drawing interest. 3. Series HH and H Bonds are not eligible for the market-based rate.
3. Exercises/ Comprehension Check	• After your explanation, check student comprehension by posing a problem for them to solve. In addition to the one below, see the self-study book for other problems and self-check exercises (*"U.S. Savings Bonds Seminar", Part I, Lesson 2).* On May 18, 1990, Mrs. Jones asks you which of her bonds is eligible for the market-based rate: 1. a Series EE Bond issued in June 1987 2. a Series H Bond issued in April 1975 3. a Series EE Bond issued in February 1983 (accept #3)
B. Interest rates for bonds not eligible for the market-based rate	• If a Savings Bond or Note is not eligible for the market-based rate, its interest rate is determined in one of the following ways: 1. **Series EE Bonds purchased on or after November 1, 1982, and redeemed before the five-year holding period is up,** will earn interest on a fixed, graduated scale. The exact rate of interest depends on how long the bond has been held. (At this writing, for example, new Series EE Bonds earn 4.27% if redeemed after one year; the rate rises gradually after that.) 2. **Series E and EE Bonds purchased before November 1, 1982, but not held long enough to become eligible for the market-based rate,** retain their previously guaranteed rates. **If these bonds enter a new extension period after November 1, 1982, their guaranteed minimum will become the same as that for newly issued Series EE Bonds held for five years or more.** 3. **Series HH Bonds issued on or after November 1, 1986, pay interest semiannually at a rate of 6.0%. Older HH Bonds and Series H Bonds** will continue to receive their guaranteed interest rates to the end of their original- or current extended-maturity period. After that they will also draw the 6.0% interest rate.

Session Outline	Presentation Suggestions
C. Additional questions about interest rates and maturities	The following discussion suggests additional questions that customers may have about interest rates. Although not all the questions are answered in detail here, more detailed information is available in the self-study book and in the additional resources listed in the introduction to this *Guide*.
1. How is the market-based rate calculated? How is the total amount of interest determined?	• See the self-study book, *"U.S. Savings Bonds Seminar,"* Part I, Lesson 2, frames 8 and 9.
2. What is a bond's "maturity period?"	• The maturity period of a Series EE Bond is the length of time that must elapse from the issue date before the registered owner can collect the full face value of the bond. For Series EE Bonds purchased on or after November 1, 1986, the original maturity is 12 years, based on the time it takes a bond to grow from issue price to face value at the guaranteed minimum interest rate of 6.0%.
3. How long will my bonds continue to draw interest?	• When a bond approaches maturity, the Treasury Department decides whether to grant an extended maturity period. There is no guarantee that an extension will be granted, but traditionally extensions have been granted so that bonds may earn interest for several years beyond their original maturity. For more information about maturities see the following: —Department of the Treasury Circular PD Series No. 1-80 (Series EE) —Department of the Treasury Circular No. 653 (Series E) —Department of the Treasury Circular No. 905 (Series H) —Department of the Treasury Circular, PD Series No. 2-80 (Series HH) These circulars can be obtained from Federal Reserve Banks.
4. How long must a bond be held before it can be redeemed?	• 6 months
5. How much are my bonds worth now?	• All issuing agents are provided with current Tables of Redemption Values for the bonds they are authorized to redeem. (This topic will be covered in more detail in Part V of the seminar.) If a customer has several bonds purchased in different years, he or she may be interested in obtaining tables for his or her own use. See the self-study book, Part I, Lesson 2, frame 9 for a list of available publications.
IV. Tax Advantages of Savings Bonds	• Note that Part II of the seminar mentioned tax advantages as an important benefit of Savings Bonds.
A. Major Tax Benefits (flipchart and marker or chalkboard and chalk)	• Ask the class to recall the major tax benefits mentioned in Part II. Record the students' responses, adding any that they fail to mention. 1. Interest earned on EE and E Bonds may be deferred until the bond is cashed. 2. If Series E or EE Bonds or Savings Notes are exchanged for HH Bonds, the tax on the accumulated interest may be deferred until the HH Bonds are redeemed or otherwise disposed of.

Session Outline	Presentation Suggestions
	3. Bonds are exempt from state and local income and personal property tax. 4. Bonds bearing the name of a survivor are free from probate proceedings and are immediately owned solely by the survivor upon the death of the owner or one coowner. (Bonds are, however, subject to inheritance and estate taxes.)
B. Savings Plans that Make Use of Tax Advantages	• Discuss the following savings plans with the class. In each case, ask the class to explain the tax advantages of the plan.
1. Retirement plan #1	—The customer purchases EE Bonds during working years and cashes them after retirement as needed. (Tax advantage: Presumably, the individual's income tax bracket will be lower after retirement.)
2. Retirement plan #2	—The customer purchases EE Bonds during his working years; at retirement, he exchanges the bonds for HH Bonds which pay interest semiannually by check. (Tax advantage: Exchanging the bonds enables the owner to continue to defer the accumulated interest. Only the interest payments from the HH Bonds would be taxed each year.)
3. Education Plan #1	—The parent purchases EE Bonds in the child's name with the parent named as beneficiary. At the end of the first year, the parent files a federal income tax return in the child's name, listing the increase in value of the bonds as income to the child and stating that the child elects to report the interest annually. The parent keeps a copy of this return, which establishes the "intent" to declare the interest as it accrues. No further returns need to be filed unless the child's total income in any year is high enough to require filing a return. (Tax advantage: As long as the child's income is not high enough to require filing a return, no tax is due.)
4. Education Plan #2	—Parents purchase EE Bonds in the child's name as above. No income tax return is filed until the child begins to cash the bonds for college expenses. Then the child files a federal income tax return each year, listing the full amount of the interest on the redeemed bonds as income. (Tax advantage: As long as the accrued interest on the bonds cashed each year, plus other income, does not exceed the exemption, no tax is due.)
V. Conclusion	• Conclude this portion of the seminar by emphasizing that good customer service depends on thorough product knowledge.
	• Discuss several ways in which participants can expand their knowledge of Savings Bonds and keep up-to-date. —Call their attention to the Resource Guide listed in the self-study book (Appendix D). —Encourage participants to take advantage of the publications provided by the Savings Bonds Division. (Refer to the list of resources provided in the introduction to this *Guide*.)

Part V: Redeeming U.S. Savings Bonds

Time Required: 60 minutes.

Objectives: At the end of the seminar segment, the participants should be able to . . .

- determine whether a Savings Bond presented for redemption is eligible for redemption by a paying agent
- identify the requirements necessary for redeeming a Savings Bond correctly
- determine the amount to be paid in a redemption transaction, using a table of redemption values
- determine the amount of interest paid in a redemption transaction, using a table of redemption values
- state the basic interest reporting requirements for Savings Bonds. Specific reporting procedures vary from bank to bank. If all participants are from the same bank, this segment could be expanded to include an explanation of the bank's procedures for reporting interest payments.

Equipment/ Materials/ Resources Needed:

- overhead projector and screen
- overhead transparencies made from OH-10, OH-11, and OH-12. **Note:** If projection equipment is not available, the content of OH-10, OH-11, and OH-12 may be put on a flipchart in advance and referred to during the seminar.
- Identification Guide for Cashing United States Savings Bonds, "U.S. Savings Bonds Seminar," Appendix A. Copies may be distributed or the self-study books may be distributed and referred to.
- copies of the Series E Table of Redemption Values for October 1983 provided in Section IV of this *Guide*.

Part V: Redeeming U.S. Savings Bonds

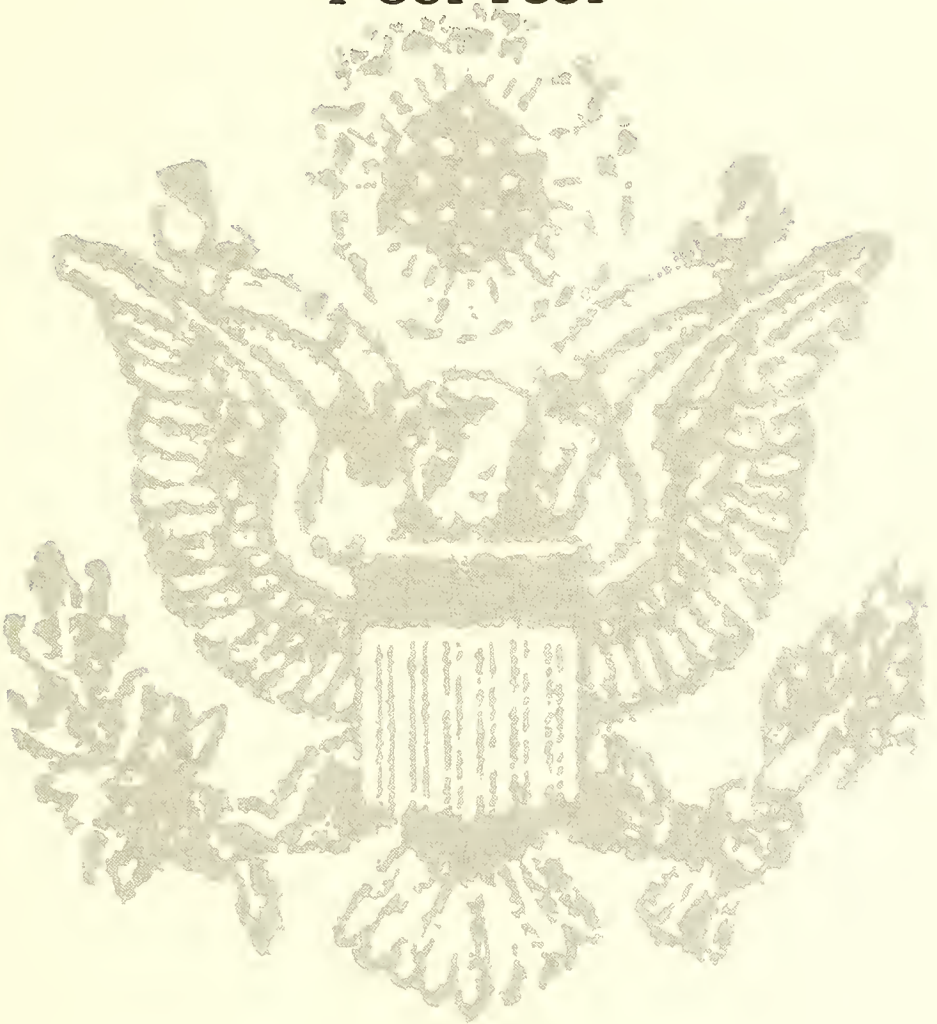
Session Outline	Presentation Suggestions
I. Determining if a Savings Bond is Eligible for Redemption (OH-10, "Paying Agents May Redeem a Savings Bond If . . .") (OH-11, "Paying Agents Cannot Redeem . . .")	• Consider opening this seminar segment with a simple practical exercise such as the following: Mrs. Catherine Brown approaches your teller window. She has a $100 Series EE Bond that she wishes to redeem. She is listed as the bond's sole owner. The issue date is April 11, 1983. Today is June 9, 1984. Will you redeem the bond? Why or why not? Use the exercise to elicit from the class the basic requirements a bond must meet to be eligible for redemption by a paying agent. Record the responses. Then show and go over OH-10 and OH-11. (The content of OH-10 and OH-11 appears below.)

Session Outline	Presentation Suggestions
A. Bonds that can be redeemed by paying agents	• Paying agents may redeem a Savings Bond if. . . —The Series is A, B, C, D, E, or EE, also Savings Notes. —The bond has been held for at least 6 months. —The registered owner is an individual (a natural person), not a corporate, institution, or fiduciary. —The payee is named as the owner or coowner of the bond. —The bond appears genuine and is not defaced. —The payee requests the full amount of the bond.
B. Bonds that paying agents may not redeem	• Paying agents cannot redeem: —Series EE Bonds less than 6 months old —bonds issued in the name of a corporation, partnership, association, etc. or in the name of a guardian or trustee —any bond requiring documentary evidence, such as a death certificate for bonds presented by beneficiaries —bonds of Series F, G, J, K, H, and HH —bonds that are mutilated, altered, or defaced.
II. Requirements Necessary for Redeeming Savings Bonds Correctly (OH-12, "To Cash a Savings Bond, You Need. . .")	• Emphasize three major required steps to redeeming Savings Bonds accurately: a. If a payee's Social Security Number does not appear on bonds presented for payment it must be provided by the payee and noted on the face of the bond. Should payees decline to provide their correct Social Security Number, payment should be refused.
A. Social Security Number B. Signature and current address	Note: —If a "gift bond" is presented for cashing, the social security number will probably be the donor's. The **payee's** number must be supplied. b. The Request for Payment on the back of the bond must be signed in the bank employee's presence and must include the payee's complete, current address if different from the address provided on the face of the bond.
C. Identification (Identification Guide for Cashing United States Savings Bonds, "U.S. Savings Bonds Seminar," Appendix A)	c. The payee must be able to identify himself properly. Using the Identification Guide for Cashing United States Savings Bonds, explain the three kinds of identifications accepted: 1. customer identification 2. personal identification 3. documentary identification • Emphasize that if documentary identification is used alone, no more than $1,000 may be paid out. If a larger payment is made which is later discovered to have been made to a forger, the bank will be held liable for the **entire loss.**

Session Outline	Presentation Suggestions
III. Calculating the Amount to be Paid (Copies of the Series E Table of Redemption Values for June 1986 provided)	• Distribute copies of the Table of Redemption Values (TRV) for June 1986. (You may use another if you prefer, but be sure to make the necessary adjustments in the exercise.) • Explain the procedure for calculating the amount to be paid. Emphasize four steps: 1. Be sure you have the current TRV. 2. Determine the issue date. 3. Find the proper horizontal line and follow it to the vertical column that corresponds to the bond's denomination. 4. The amount shown under "REDEMP. VALUE" is the total amount to be paid.
B. Practical exercise	• Ask the participants to solve the following problem, using the TRVs provided to them: Suppose that a $100 Series E Bond with an issue date of July 1947 is presented for cashing on June 23, 1986. How much will you pay the presenter? (answer: $446.88)
IV. Interest Reporting A. Requirements	• Since Savings Bonds interest reporting requirements are new, even experienced bond tellers may not be totally familiar with them. • Explain that reporting requirements for interest paid on Savings Bonds and Notes are similar to the requirements for reporting interest on bank deposits. *Paying agents must report all interest payments of $10 or more in single transaction to. . .* 1. the Internal Revenue Service (on IRS 1099-INT or comparable document) AND 2. the customer. • Emphasize in your discussion —the service provided to the bond holder and —the need to determine the bank's specific procedures, since the reporting procedures will vary from bank to bank. If all participants are from the same bank, you may wish to expand this section to include a review of the bank-specific procedures. • Note situations in which interest reporting is **not** required: —When cashing Series A, B, C, or D Savings Bonds. —When exchanging Savings Bonds or Notes for Series HH Bonds, as long as (1) the entire amount of interest accrued is used toward the purchase of the HH Bond **and** (2) the customer elects to defer reporting the interest until he or she cashes the HH Bond.

Session Outline	Presentation Suggestions
B. Calculating the amount of interest included in a payment (Table of Redemption Values for June 1986 already distributed)	• Using the TRV already distributed to the participants, explain the procedure for determining the amount of interest paid in a transaction: 1. For each bond presented, follow the procedure for calculating payment, except use the figure in the shaded column headed "interest earned." 2. Add the amounts to obtain the total amount of interest paid on the transaction.
1. Explanation of procedure	
2. Practical exercise	• Ask the participants to solve the following problem using the TRVs provided to them: On June 15, 1986, Mr. Sidney Smith presents the following bonds for cashing: a. $25 E Bond issued in December 1946 b. $500 E Bond issued in May 1947 c. $50 E Bond issued in November 1941. (1) How much interest was paid to Mr. Smith in this transaction? (2) Must the interest be reported? answers: (1) $2,165.22 (2) Yes
V. Exchanges	• In addition to redeeming certain bonds, paying agents may also help customers exchange their Series E/EE Bonds or Savings Notes for HH Bonds as long as the application for exchange is submitted by an individual (a natural person) who is named as the owner or coowner of the Bonds and/or Notes. • Encourage participants to refer to the self-study book and check with their supervisor to familiarize themselves with their bank's procedures for helping customers exchange their bonds.
VI. Conclusion	• Bring this segment—and the seminar—to a close. —Review seminar objectives —Wrap up any loose ends. If unanswered questions remain, guide the participants to other resources that may meet their needs. —Thank the participants for attending, their interest, and their contributions.

Section III:
Post Test



Post Test for
Issuing and Cashing U.S. Savings Bonds

Part I

1. Edison Gillman buys a $200 U.S. Savings Bond at the Bolten National Bank. Name the parties involved in the above transaction:

   Lender: *Edison Gillman*

   Borrower: *United States of America*

   Issuer: *United States of America*

   Issuing Agent: *Bolten National Bank*

2. Series *EE* Savings Bonds are sold at a discount.

3. Interest is paid semi-annually by check for Series *HH* Bonds.

4. The market-based interest rate for Savings Bonds is calculated *2* times per year by the Treasury Department.

5. Series EE Bonds purchased on or after November 1, 1982 must be held *5* years before they become eligible for the marked-based interest rate.

6. The dollar amount printed on the face of the bond is called the *face value* or *denomination*.

7. The only person entitled to have a bond cashed by a paying agent is the *registered owner or coowner.* In order to collect the face value on his Series EE bond, the owner must wait until the end of the *maturity period*.

8. The validation date and code number of the issuing agent *must* appear on the *validating stamp* on the face of a Series EE Bond.

9. The first day of the month in which a bond is sold is considered to be the *issue date*.

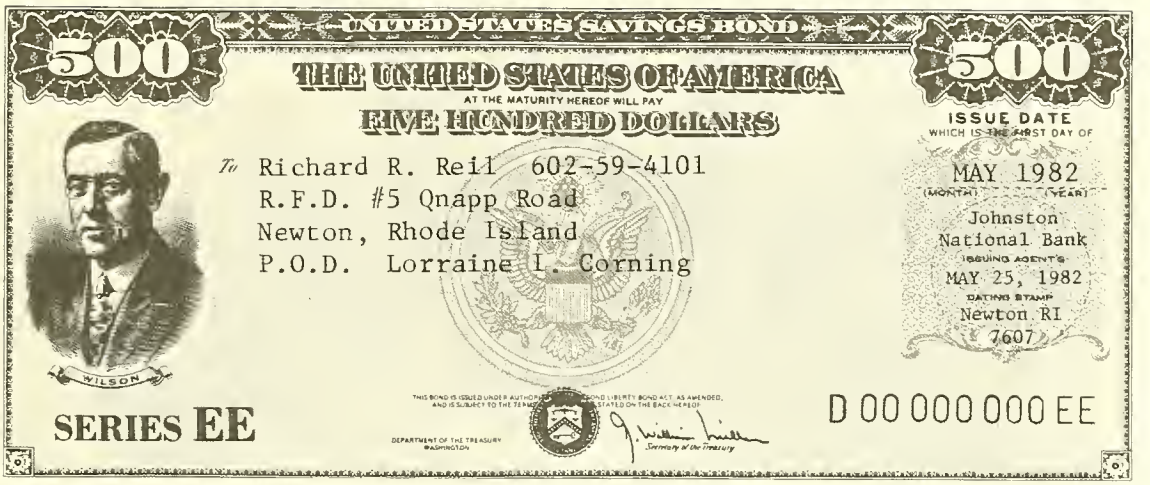
10. The United States of America is called the *issuer* of U.S. Savings Bonds.

11. To maintain numerical files reflecting a complete history of each bond printed, the Bureau of the Public Debt assigns a unique number to each bond. It is called the *serial number*.

12. The two parts of a Type K assembly are the bond, which goes to the *customer*, and the *registration stub*, which is sent by the Federal Reserve Bank to the *Bureau of the Public Debt.*

13. When a customer pays for a bond with cash, you should always accept payment, inscribe and release the bond immediately. ☑ True ☐ False

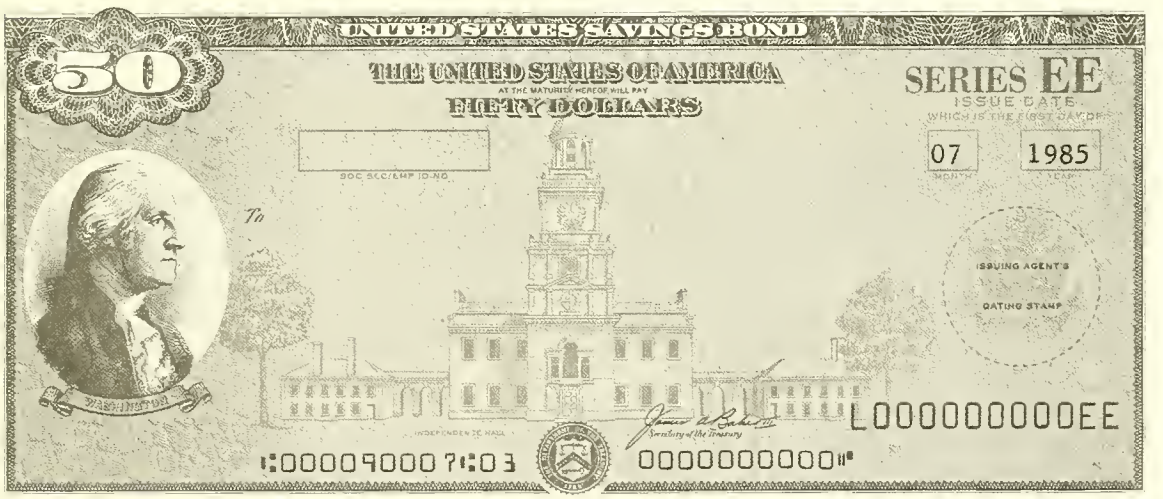
14.



The above inscription indicates that Lorraine I. Corning is the *beneficiary* of Richard Reil's bond.

15. Is an issuing agent authorized to issue a bond in the name of Clivet Works, Inc.? *No*

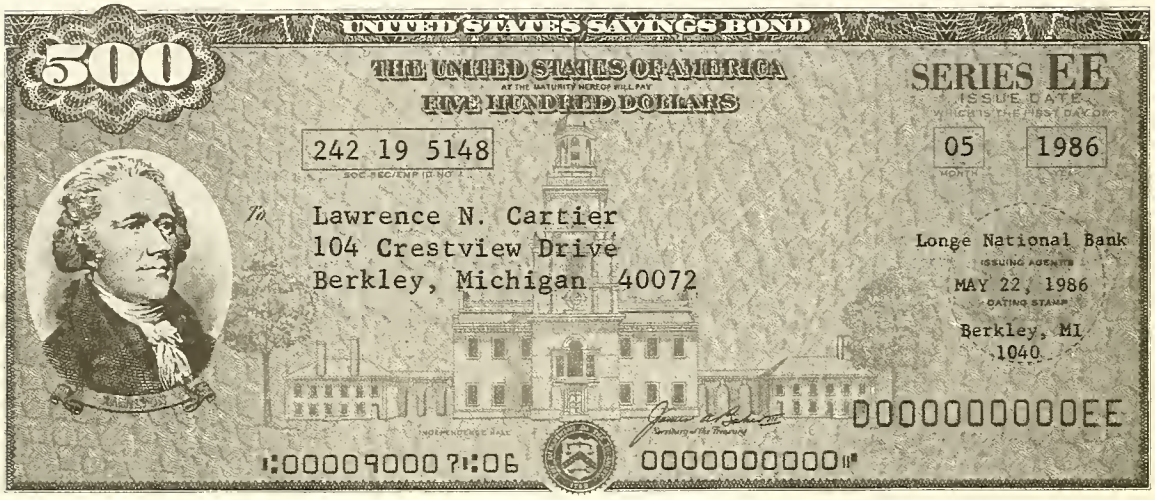
16. Suppose that you issued a bond on July 14, 1985. Write the issue date exactly as you would type it on the bond.



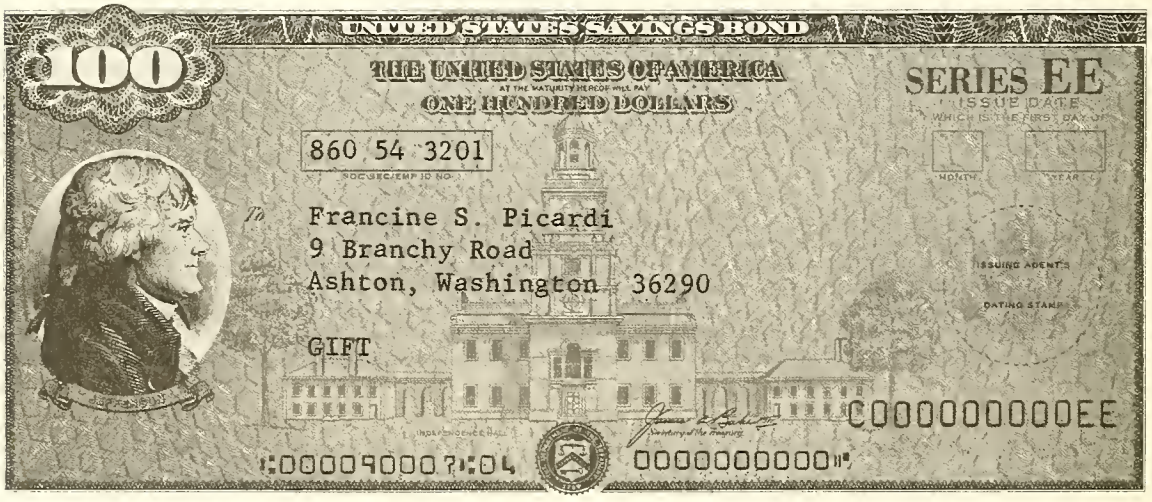
17. If you make a spelling error while typing the owner's name on a bond, what would you do? (You realize this before the customer has left your window.) *Process bond and registration stub as "spoiled in issue" and begin again using a new assembly.*

18. Today is May 22, 1986, and you are a teller at the Longe National Bank in Berkley, Michigan. Lawrence N. Cartier, of 104 Crestview Drive, Berkley, Michigan 40072, gives you an application and $250 for a $500 Series EE bond. His social security number is 242-19-5148. The application shows that his wife, Andrea Harme Cartier, is to be named coowner.

Fill out the blank bond below exactly as you would type it for Mr. Cartier.



19. Mr. Alexander Picardi wants to buy a $100 Series EE Bond for his niece, Francine S. Picardi, who resides at 9 Branchy Road, Ashton, Washington 36290. Mr. Picardi does not know Francine's social security number but his is 860-54-3201. Inscribe the bond below exactly as you would for Mr. Picardi.



Part II

20. Would a paying agent be authorized to cash a Series EE Bond issued in July 1980 to Linda J. Baines and presented for cashing October 2, 1980? Why or why not? *No. It is less than 6 months old.*

21. Would a paying agent be authorized to cash a Series HH Bond issued in April 1983 to Dr. Morris K. Waters and presented for cashing on September 6, 1988? Why or why not? *No.*

Series HH Bonds can only be redeemed by Federal Reserve Banks or the Bureau of the Public Debt.

22. If a known customer wants to exchange his $200 Series EE Bond for two $50 Series EE Bonds (dated as of the original issue date) and receive the balance in cash, which of the following should you do?

- ☐ A. issue the new bonds as requested and pay the balance in cash.
- ☑ B. explain that you are not authorized to make partial payments.

23. Paying agents may cash bonds that are registered in the name of an individual as owner or coowner.

☑ True ☐ False

24. Study the bond inscribed below and the request for payment. If the signature had been written in your presence, would you consider it acceptable? Why or why not?

No. The names are spelled differently.

UNITED STATES SAVINGS BOND—SERIES EE
Not Transferable

REQUEST FOR PAYMENT

I AM THE OWNER OF THIS BOND, AND HEREBY REQUEST PAYMENT.

Ms. Beatrix Shriver

SIGN IN INK IN PRESENCE OF PAYING AGENT OR CERTIFYING OFFICER

14312 Norrace Lane

(NUMBER) MAIL ADDRESS (STREET)

Homestead, Alabama 32101

(CITY) (STATE) (ZIP CODE)

CERTIFICATION

I CERTIFY THAT THE ABOVE-NAMED PERSON, WHOSE IDENTITY IS WELL-KNOWN TO ME OR HAS BEEN POSITIVELY ESTABLISHED, SIGNED THE ABOVE REQUEST IN MY PRESENCE ON _____.

DATE OF REQUEST

OFFICIAL SEAL

OR

VALIDATING STAMP

_____
SIGNATURE OF OFFICER

_____
TITLE OF OFFICER

FOR PAYING AGENT OR CERTIFYING OFFICER

Note below the identification used by the presenter. *(See authorized Treasury guidelines.)*

Documentary identification (Description and date)

Account identification (No. and date established)

Personally identified by (Name, address and signature)

_____
SIGNATURE OF IDENTIFIER

TERMS AND CONDITIONS

This bond is issued pursuant to Department of the Treasury Circular, Public Debt Series No. 1-80, which contains full particulars concerning the offering, including redemption value information. The bond is subject to the terms and conditions set forth in that Circular and in the governing regulations, Department of the Treasury Circular, Public Debt Series No. 3-80. Both circulars may be obtained from a Federal Reserve Bank or Branch or the Bureau of the Public Debt, Parkersburg, West Virginia 26101. THE BOND IS NOT TRANSFERABLE and may not be used as collateral.

PAYMENT INFORMATION

This bond is eligible for payment at any time after six months from its issue date. It is payable by any financial institution qualified as a paying agent to the registered owner or either coowner, who must duly establish his or her identity and sign the request for payment. It may also be paid, upon presentation, with the request for payment signed and duly certified, to a Federal Reserve Bank or Branch or the Bureau of the Public Debt, Parkersburg, West Virginia 26101. Officials and designated employees of paying agents are authorized to certify requests for payment.

25. Does the Treasury Department accept social security cards as identification, providing they show no evidence of alteration? *No.*

26. If you cash a $1000 Series EE Bond without asking the presenter for identification, the paying agent ☑ Will ☐ Will Not bear the loss if it is later discovered that the presenter was not the rightful owner of the bond.

27. In order to cash a bond, where should the registered owner sign and fill in current address?

Request for payment on the back of the bond.

28. For the purpose of cashing bonds or savings notes, is a customer who has had a savings account with your bank for four months considered a known, established customer? *No.*

29. Whenever you must rely on documents for identification, you should not redeem bonds with a cash value of more than *$1,000*

30.

DRIVERS LICENSE

OPERATOR'S LICENSE NO.	EXP DATE	ISSUE DATE	HAIR COLOR
629-01-4883	2 1 85	2 1 80	BLND

RESTRICTIONS	DATE OF BIRTH	HEIGHT	SEX	WEIGHT	COLOR EYES
CODE 0	6 8 41	5'3"	F	110	BLU

Shirley E. Thompson

498 Bayview Drive, San Jose, Cal.

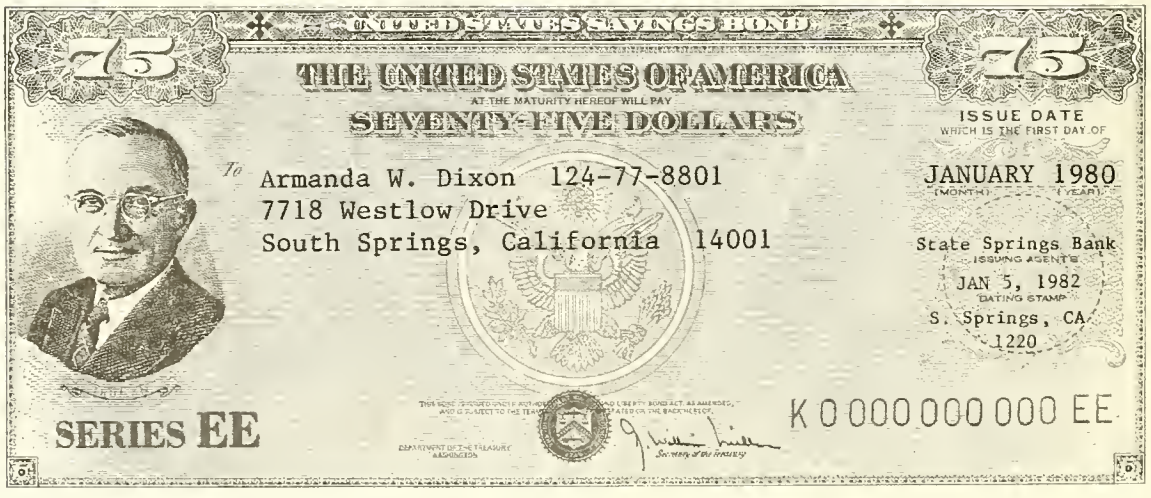
NOT VALID UNTIL SIGNED BY COMMISSIONER OF MOTOR VEHICLES

OPERATOR'S SIGNATURE *Shirley E. Thompson*

California *Chas Bradley*
COMMISSIONER

Write the correct notation for the above document *Cal. D/L 629-01-4883 issued 2/1/80 (your initials)*.

31. You are a teller at the Carlton County Bank. Today is November 13, 1984, and you are asked to cash the bond pictured below.



UNITED STATES SAVINGS BOND—SERIES EE
Not Transferable

REQUEST FOR PAYMENT

I AM THE OWNER OF THIS BOND, AND HEREBY REQUEST PAYMENT

Amanda W. Dixon
SIGN IN INK IN PRESENCE OF PAYING AGENT OR CERTIFYING OFFICER

same
(NUMBER) MAIL ADDRESS (STREET)

(CITY) (STATE) (ZIP CODE)

CERTIFICATION

I CERTIFY THAT THE ABOVE-NAMED PERSON, WHOSE IDENTITY IS WELL-KNOWN TO ME OR HAS BEEN POSITIVELY ESTABLISHED, SIGNED THE ABOVE REQUEST IN MY PRESENCE ON _____.
DATE OF REQUEST

OFFICIAL SEAL

_____
SIGNATURE OF OFFICER

OR

VALIDATING STAMP

_____
TITLE OF OFFICER

FOR PAYING AGENT OR CERTIFYING OFFICER

Note below the identification used by the presenter *(See authorized Treasury guidelines)*

Documentary identification (Description and date)

Account identification (No. and date established)

Personally identified by (Name, address and signature)

_____
SIGNATURE OF IDENTIFIER

TERMS AND CONDITIONS

This bond is issued pursuant to Department of the Treasury Circular, Public Debt Series No. 1-80, which contains full particulars concerning the offering, including redemption value information. The bond is subject to the terms and conditions set forth in that Circular and in the governing regulations, Department of the Treasury Circular, Public Debt Series No. 3-80. Both circulars may be obtained from a Federal Reserve Bank or Branch or the Bureau of the Public Debt, Parkersburg, West Virginia 26101. THE BOND IS NOT TRANSFERABLE and may not be used as collateral.

PAYMENT INFORMATION

This bond is eligible for payment at any time after six months from its issue date. It is payable by any financial institution qualified as a paying agent to the registered owner or either coowner, who must duly establish his or her identity and sign the request for payment. It may also be paid, upon presentation, with the request for payment signed and duly certified, to a Federal Reserve Bank or Branch or the Bureau of the Public Debt, Parkersburg, West Virginia 26101. Officials and designated employees of paying agents are authorized to certify requests for payment.

Based on what you see, would you cash the bond pictured above? Why or why not? *No.*
The issue date and validation date are different.

32. Suppose that you have found the face of the bond and the back of a $100 Series EE Bond acceptable for cashing. The presenter gives you the identification credential pictured below. You find that the signature matches that on the Request for Payment.

Will you cash the bond? Why or why not? *No. The identification does not meet Treasury Department Standards.*

33. Suppose that a $200 Series EE Bond with an issue date of February 1980 is presented for cashing on December 15, 1983.

A. How much interest has accrued? *$27.36*

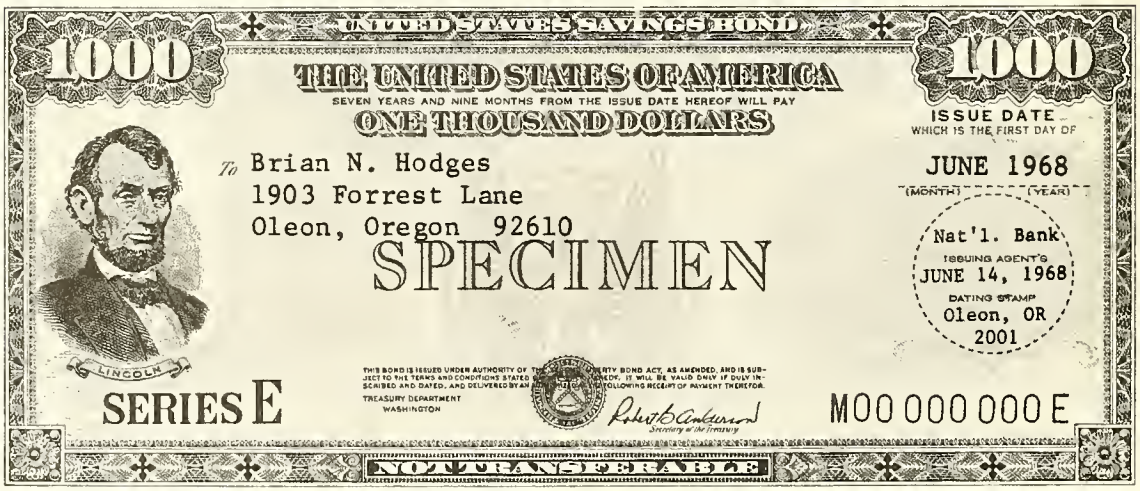
B. Will the interest paid need to be reported to the Internal Revenue Service and to the payee? *Yes*

C. How much should you pay the presenter? *$127.36* (use table below)

U.S. Savings Bonds, Series EE—Redemption Values and Interest Earned Amounts by Denomination—December 1983

ISSUE YEAR	ISSUE MONTHS	$50		$75		$100		$200		$500		$1,000		$5,000		$10,000	
		REDEMP. VALUE	INTEREST EARNED	REDEMP. VALUE	INTEREST EARNED	REDEMP. VALUE	INTEREST EARNED	REDEMP VALUE	INTEREST EARNED	REDEMP VALUE	INTEREST EARNED	REDEMP VALUE	INTEREST EARNED	REDEMP. VALUE	INTEREST EARNED	REDEMP. VALUE	INTEREST EARNED
1983	July thru Dec.	Not eligible for payment															
	June	25.52	.52	38.28	.78	51 04	1.04	102.08	2.08	255 20	5.20	510 40	10.40	2,552 00	52.00	5,104 00	104.00
	May	25 64	.64	38 46	.96	51 28	1.28	102 56	2.56	256 40	6.40	512 80	12.80	2,564 00	64.00	5,128 00	128 00
	Apr	25 78	.78	38 67	1.17	51 56	1.56	103.12	3 12	257 80	7.80	515 60	15.60	2,578 00	78.00	5,156 00	156.00
	Mar	25 94	.94	38 91	1.41	51 88	1.88	103 76	3.76	259 40	9.40	518 80	18.80	2,594 00	94 00	5,188 00	188.00
	Feb	26.08	1.08	39 12	1.62	52 16	2.16	104 32	4.32	260.80	10.80	521 60	21.60	2,608 00	108.00	5,216 00	216.00
	Jan	26.24	1.24	39 36	1.86	52 48	2.48	104 96	4.96	262 40	12.40	524 80	24.80	2,624 00	124.00	5,248 00	248.00
1982	Dec	26 40	1.40	39 60	2.10	52 80	2.80	105 60	5.60	264 00	14.00	528 00	28.00	2,640.00	140.00	5,280 00	280.00
	Nov	26.54	1.54	39 81	2.31	53 08	3.08	106 16	6.16	265 40	15.40	530 80	30.80	2,654 00	154.00	5,308 00	308.00
	Oct	26 82	1.82	40 23	2.73	53 64	3.64	107 28	7.28	268 20	18.20	536 40	36.40	2,682.00	182.00	5,364 00	364 00
	Sep	26 96	1.96	40 44	2.94	53 92	3.92	107 84	7.84	269 60	19.60	539 20	39.20	2,696 00	196.00	5,392 00	392.00
	Aug	27 12	2.12	40 68	3.18	54 24	4.24	108 48	8 48	271 20	21.20	542 40	42.40	2,712 00	212.00	5,424 00	424.00
	July	27 26	2.26	40 89	3.39	54 52	4.52	109 04	9.04	272 60	22.60	545.20	45.20	2,726.00	226.00	5,452 00	452.00
	Jan. thru June	27 42	2.42	41.13	3.63	54 84	4.84	109 68	9.68	274.20	24 20	548 40	48.40	2,742.00	242.00	5,484 00	484.00
1981	July thru Dec.	28 42	3.42	42.63	5.13	56 84	6.84	113 68	13.68	284 20	34.20	568 40	68.40	2,842.00	342.00	5,684 00	684.00
	May thru June	29.70	4.70	44 55	7.05	59 40	9.40	118 80	18.80	297 00	47.00	594 00	94.00	2,970 00	470.00	5,940.00	940.00
	Jan. thru Apr.	29 72	4.72	44 58	7.08	59 44	9.44	118 88	18.88	297 20	47.20	594 40	94.40	2,972 00	472.00	5,944 00	944.00
1980	Nov thru Dec	31 02	8.02	46 53	9.03	62 04	12.04	124 08	24.08	310.20	60.20	620 40	120.40	3,102 00	602.00	6,204 00	1,204.00
	July thru Oct	30 72	5.72	46 08	8.58	61 44	11.44	122 88	22.88	307 20	57.20	614 40	114.40	3,072 00	572.00	6,144 00	1,144.00
	May thru June	32.16	7.16	48.24	10.74	64 32	14.32	128 64	28.64	321 60	71.60	643.20	143.20	3,216 00	716.00	6,432 00	1,432.00
	Jan. thru Apr.	31 84	6.84	47 76	10.26	63 68	13.68	127 36	27.36	318 40	68.40	636 80	136.80	3,184 00	684.00	6,368 00	1,368.00

34. Suppose the bond pictured below is presented for cashing. What additional information must you obtain before cashing the bond? *The payee's social security number*



35. If a customer asks you to exchange $500 in Series EE Bonds for a $500 Series HH Bond, what are two ways you can assist him in making the exchange? *A. Cash his bonds and forward the application to the Federal Reserve Bank. B. Forward the Series EE Bond and an application to the Federal Reserve Bank.*

36. Suppose a customer walks up to your window and presents six $500 Series EE Bonds for cashing whose redemption values are $489.40 each. He presents a driver's license for identification purposes. How many of his bonds would you cash? *two*.

37. The Treasury Department recognizes three types of identification as sufficient, including (1) *Personal* (2) *Customer* and (3) *Documentary*.

Number of possible points

1. 4 (1 for each correct answer)
2. 2
3. 3
4. 2
5. 2
6. 4 (2 for each correct answer)
7. 4 (2 for each correct answer)
8. 2
9. 2
10. 2
11. 2
12. 3 (1 for each correct answer)
13. 2
14. 2
15. 2
16. 2
17. 2
18. 3 (1 for issue date, 1 for social security number, and 1 for coowner)
19. 2
20. 4 (2 for each correct answer)
21. 4 (2 for each correct answer)
22. 2
23. 2
24. 4 (2 for each correct answer)
25. 2
26. 2
27. 2
28. 2
29. 2
30. 4 (2 for each correct answer)
31. 4 (2 for each correct answer)
32. 4 (2 for each correct answer)
33. 6 (2 for each correct answer)
34. 2
35. 4 (2 for each correct answer)
36. 2
37. 2

Total: 100 points

Section IV: Overhead Masters and Handouts

Overhead Masters

OH-1

Seminar Goals:
To Provide the Knowledge and Resources You Need to. . .

- Issue and Cash U.S. Savings Bonds Correctly
- Answer Customer Questions Accurately

OH-2

Seminar Objectives
At the end of the Seminar, the Participants should be able to . . .

- Identify the Goals and Features of the Savings Bonds Program
- Identify the Basic Requirements for Issuing and Redeeming U.S. Savings Bonds
- Identify and Explain the Major Features and Customer Benefits of Savings Bonds

OH-3

United States Savings Bonds Program Goals:

- To Meet our Nation's Economic Needs
- To Broaden the Base of the Public Debt

OH-4

Advantages of Savings Bond Ownership

- Safety
- Convenience
- Profitability

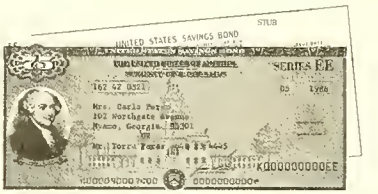
OH-5

OH-6

Overhead Masters

OH-7

OH-8



OH-9

OH-10

Paying Agents may Redeem a Bond if . . .

- It is a Series A, B, C, D, E, or EE Bond, or Savings Note
- The Bond has Been Held for 6 Months
- The Owner is an Individual
- The Payee is Named as Owner or Coowner
- The Bond Appears Genuine and is not Defaced
- The Payee Requests the Full Amount of the Bond

OH-11

Paying Agents Cannot Redeem . . .

- Series EE Bonds Less than 6 Months Old
- Bonds Issued in the Name of a Guardian or Trustee
- Bonds Issued in the Name of a Corporation, Partnership, Association, etc.
- Any Bond Requiring Documentary Evidence
- Bonds of Series F, G, J, K, H, and HH
- Bonds that are Mutilated, Altered, or Defaced

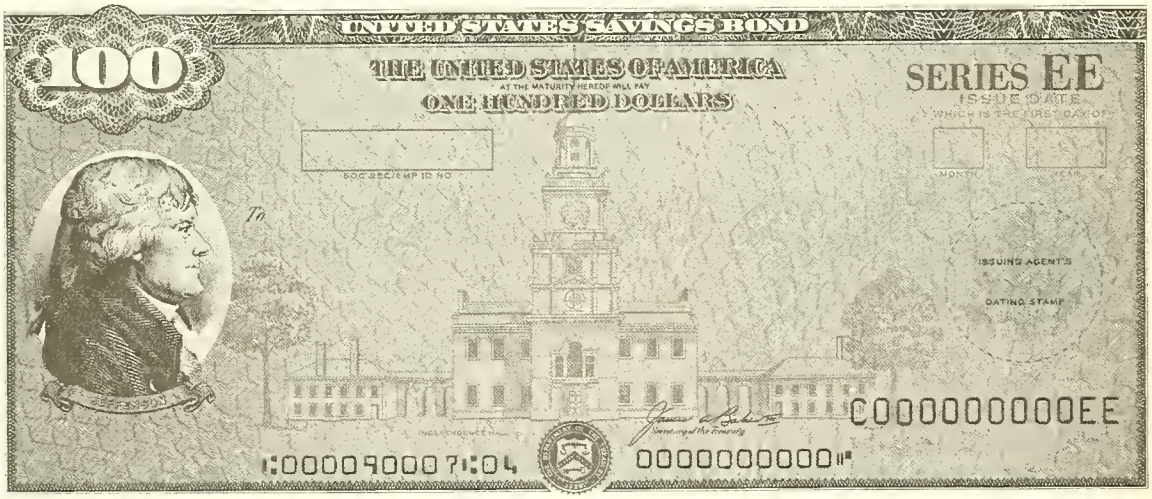
OH-12

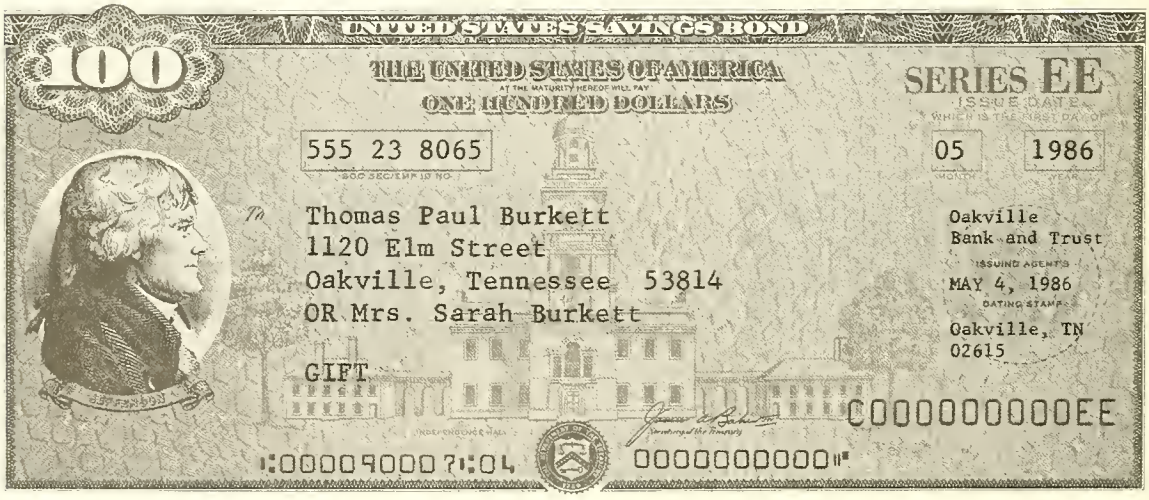
To Cash a U.S. Savings Bond, You Need . . .

- The Payee's Signature and Current Address
- Adequate Proof of Payee's Identity

Practical Exercise 1

On May 4, 1986, Mrs. Jonathan Burkett approaches your window at the Oakville Bank and Trust, Oakville, TN. She wishes to purchase a $100 Series EE Savings Bond for her nephew, Thomas Paul Burkett, as a birthday gift. His address is 1120 Elm St., Oakville, TN 53814. She wishes to name the boy's mother, Mrs. Sarah Burkett, as coowner. She does not know Tom's Social Security Number, but her own Social Security Number is 555-23-8065; Mrs. Sarah Burkett's Social Security Number is 556-89-0001. Your bank's code number is 02615. Mrs. Jonathan Burkett gives you $50 in cash as payment for the bond. Fill out the bond as you would type it for Mrs. Burkett.





Practical Exercise 2

Series EE and HH Savings Bonds: A Quick Comparison

	Series EE	Series HH
Denominations		
Issue Price		
Method of Purchase		
Place of Purchase		
Method of Interest Payment		
Interest Rate		

Series EE and HH Savings Bonds: A Quick Comparison

	Series EE	Series HH
Denominations	$50, $75, $100, $200, $500, $1,000, $5,000, & $10,000	$500, $1,000, $5,000, & $10,000
Issue Price	Discounted (50% of face value)	face value
Method of Purchase	Cash or U.S. Savings Stamps	No longer issued for cash. They are available in exchange for Series E and EE Bonds and/or Savings Notes and/or Saving Stamps
Place of Purchase	Bank or other issuing agent	Federal Reserve Banks or the Bureau of the Public Debt
Method of Interest Payment	Paid when bond is redeemed	Paid by check twice a year
Interest Rate	Market-based interest earned by bonds meeting eligibility requirements (see discussion for details)	Not eligible for market-based rate

U.S. SAVINGS BONDS, SERIES E-REDEMPTION VALUES AND INTEREST EARNED AMOUNTS BY DENOMINATION-JUNE 1986

ISSUE YEAR	ISSUE MONTHS	$10		$25		$50		$75		$100		$200		$500		$1,000	
		REDEMP. VALUE	INTEREST EARNED	REDEMP. VALUE	INTEREST EARNED	REDEMP. VALUE	INTEREST EARNED	REDEMP. VALUE	INTEREST EARNED	REDEMP. VALUE	INTEREST EARNED	REDEMP. VALUE	INTEREST EARNED	REDEMP. VALUE	INTEREST EARNED	REDEMP. VALUE	INTEREST EARNED
1949	Dec.	43.96	36.46	109.89	91.14	219.78	182.28			439.56	364.56	879.12	729.12	2,197.80	1,822.80	4,395.60	3,645.60
	Nov.	43.40	35.90	108.51	89.76	217.02	179.52			434.04	359.04	868.08	718.08	2,170.20	1,795.20	4,340.40	3,590.40
	July thru Oct.	42.99	35.49	107.47	88.72	214.94	177.44			429.88	354.88	859.76	709.76	2,149.40	1,774.40	4,298.80	3,548.80
	June	44.82	37.32	112.05	93.30	224.10	186.60			448.20	373.20	896.40	746.40	2,241.00	1,866.00	4,482.00	3,732.00
	May	43.00	35.50	107.51	88.76	215.02	177.52			430.04	355.04	860.08	710.08	2,150.20	1,775.20	4,300.40	3,550.40
	Jan. thru Apr.	42.59	35.09	106.48	87.73	212.96	175.46			425.92	350.92	851.84	701.84	2,129.60	1,754.60	4,259.20	3,509.20
1948	Dec.	44.40	36.90	111.01	92.26	222.02	184.52			444.04	369.04	888.08	738.08	2,220.20	1,845.20	4,440.40	3,690.40
	Nov.	43.70	36.20	109.24	90.49	218.48	180.98			436.96	361.96	873.92	723.92	2,184.80	1,809.80	4,369.60	3,619.60
	July thru Oct.	43.28	35.78	108.19	89.44	216.38	178.88			432.76	357.76	865.52	715.52	2,163.80	1,788.80	4,327.60	3,577.60
	June	45.11	37.61	112.78	94.03	225.56	188.06			451.12	376.12	902.24	752.24	2,255.60	1,880.60	4,511.20	3,761.20
	May	44.39	36.89	110.98	92.23	221.96	184.46			443.92	368.92	887.84	737.84	2,219.60	1,844.60	4,439.20	3,689.20
	Jan. thru Apr.	43.96	36.46	109.91	91.16	219.82	182.32			439.64	364.64	879.28	729.28	2,198.20	1,823.20	4,396.40	3,646.40
1947	Dec.	45.84	38.34	114.59	95.84	229.18	191.68			458.36	383.36	916.72	766.72	2,291.80	1,916.80	4,583.60	3,833.60
	Nov.	45.12	37.62	112.79	94.04	225.58	188.08			451.16	376.16	902.32	752.32	2,255.80	1,880.80	4,511.60	3,761.60
	July thru Oct.	44.69	37.19	111.72	92.97	223.44	185.94			446.88	371.88	893.76	743.76	2,234.40	1,859.40	4,468.80	3,718.80
	June	46.58	39.08	116.46	97.71	232.92	195.42			465.84	390.84	931.68	781.68	2,329.20	1,954.20	4,658.40	3,908.40
	May	45.85	38.35	114.62	95.87	229.24	191.74			458.48	383.48	916.96	766.96	2,292.40	1,917.40	4,584.80	3,834.80
	Jan. thru Apr.	45.41	37.91	113.53	94.78	227.06	189.56			454.12	379.12	908.24	758.24	2,270.60	1,895.60	4,541.20	3,791.20
1946	Dec.	47.34	39.84	118.35	99.60	236.70	199.20			473.40	398.40	946.80	796.80	2,367.00	1,992.00	4,734.00	3,984.00
	Nov.	46.59	39.09	116.47	97.72	232.94	195.44			465.88	390.88	931.76	781.76	2,329.40	1,954.40	4,658.80	3,908.80
	July thru Oct.	46.14	38.64	115.35	96.60	230.70	193.20			461.40	386.40	922.80	772.80	2,307.00	1,932.00	4,614.00	3,864.00
	A June	48.10	40.60	120.25	101.50	240.50	203.00			481.00	406.00	962.00	812.00	2,405.00	2,030.00	4,810.00	4,060.00
	A May	47.36	39.86	118.41	99.66	236.82	199.32			473.64	398.64	947.28	797.28	2,368.20	1,993.20	4,736.40	3,986.40
	A Jan. thru Apr.	46.91	39.41	117.28	98.53	234.56	197.06			469.12	394.12	938.24	788.24	2,345.60	1,970.60	4,691.20	3,941.20
1945	A Dec.	46.91	39.41	117.28	98.53	234.56	197.06			469.12	394.12	938.24	788.24	2,345.60	1,970.60	4,691.20	3,941.20
	A Nov.	45.77	38.27	114.43	95.68	228.86	191.36			457.72	382.72	915.44	765.44	2,288.60	1,913.60	4,577.20	3,827.20
	A June thru Oct.	45.33	37.83	113.33	94.58	226.66	189.16			453.32	378.32	906.64	756.64	2,266.60	1,891.60	4,533.20	3,783.20
	A B May	44.62	37.12	111.54	92.79	223.08	185.58			446.16	371.16			2,230.80	1,855.80	4,461.60	3,711.60
	A B Jan. thru Apr.	44.19	36.69	110.47	91.72	220.94	183.44			441.88	366.88			2,209.40	1,834.40	4,418.80	3,668.80
1944	A B Dec.	44.19	36.69	110.47	91.72	220.94	183.44			441.88	366.88			2,209.40	1,834.40	4,418.80	3,668.80
	A B Nov.	43.50	36.00	108.75	90.00	217.50	180.00			435.00	360.00			2,175.00	1,800.00	4,350.00	3,600.00
	A B June thru Oct.	43.08	35.58	107.70	88.95	215.40	177.90			430.80	355.80			2,154.00	1,779.00	4,308.00	3,558.00
	A B May			106.11	87.36	212.22	174.72			424.44	349.44			2,122.20	1,747.20	4,244.40	3,494.40
	A B Jan. thru Apr.			105.09	86.34	210.18	172.68			420.36	345.36			2,101.80	1,726.80	4,203.60	3,453.60
1943	A B Dec.			105.09	86.34	210.18	172.68			420.36	345.36			2,101.80	1,726.80	4,203.60	3,453.60
	A B Nov.			103.48	84.73	206.96	169.46			413.92	338.92			2,069.60	1,694.60	4,139.20	3,389.20
	A B June thru Oct.			102.48	83.73	204.96	167.46			409.92	334.92			2,049.60	1,674.60	4,099.20	3,349.20
	A B May			100.91	82.16	201.82	164.32			403.64	328.64			2,018.20	1,643.20	4,036.40	3,286.40
	A B Jan. thru Apr.			99.95	81.20	199.90	162.40			399.80	324.80			1,999.00	1,624.00	3,998.00	3,248.00
1942	A B Dec.			99.95	81.20	199.90	162.40			399.80	324.80			1,999.00	1,624.00	3,998.00	3,248.00
	A B Nov.			98.40	79.65	196.80	159.30			393.60	318.60			1,968.00	1,593.00	3,936.00	3,186.00
	A B June thru Oct.			97.45	78.70	194.90	157.40			389.80	314.80			1,949.00	1,574.00	3,898.00	3,148.00
	A B May			96.00	77.25	192.00	154.50			384.00	309.00			1,920.00	1,545.00	3,840.00	3,090.00
	A B Jan. thru Apr.			94.35	75.60	188.70	151.20			377.40	302.40			1,887.00	1,512.00	3,774.00	3,024.00
1941	A B Dec.			94.35	75.60	188.70	151.20			377.40	302.40			1,887.00	1,512.00	3,774.00	3,024.00
	A B Nov.			92.86	74.11	185.72	148.22			371.44	296.44			1,857.20	1,482.20	3,714.40	2,964.40
	A B June thru Oct.			91.96	73.21	183.92	146.42			367.84	292.84			1,839.20	1,464.20	3,678.40	2,928.40
	A B May			90.59	71.84	181.18	143.68			362.36	287.36			1,811.80	1,436.60	3,623.60	2,873.60

A. BONDS WITH THESE ISSUE DATES HAVE REACHED FINAL MATURITY AND WILL EARN NO ADDITIONAL INTEREST.

B BONDS WITH ISSUE DATES OF MAY 1945 AND PRIOR ARE NOT ELIGIBLE FOR EXCHANGE TO SERIES HH BONDS

Seminar Goals:

To Provide the Knowledge and Resources You Need to. . .

- Issue and Cash U.S. Savings Bonds Correctly
- Answer Customer Questions Accurately

Seminar Objectives

At the end of the Seminar, the Participants should be able to . . .

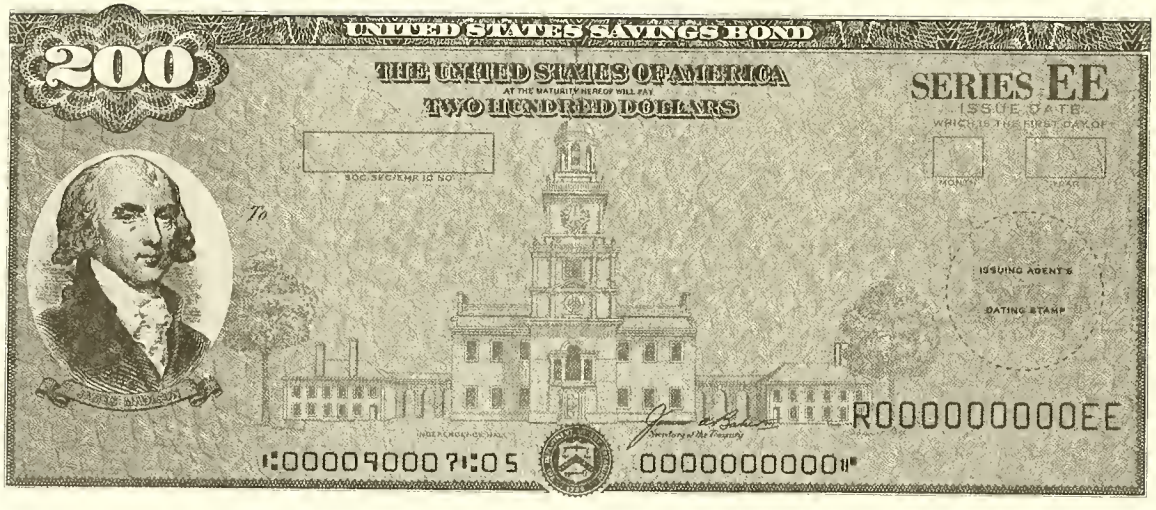
- Identify the Goals and Features of the Savings Bonds Program
- Identify the Basic Requirements for Issuing and Redeeming U.S. Savings Bonds
- Identify and Explain the Major Features and Customer Benefits of Savings Bonds

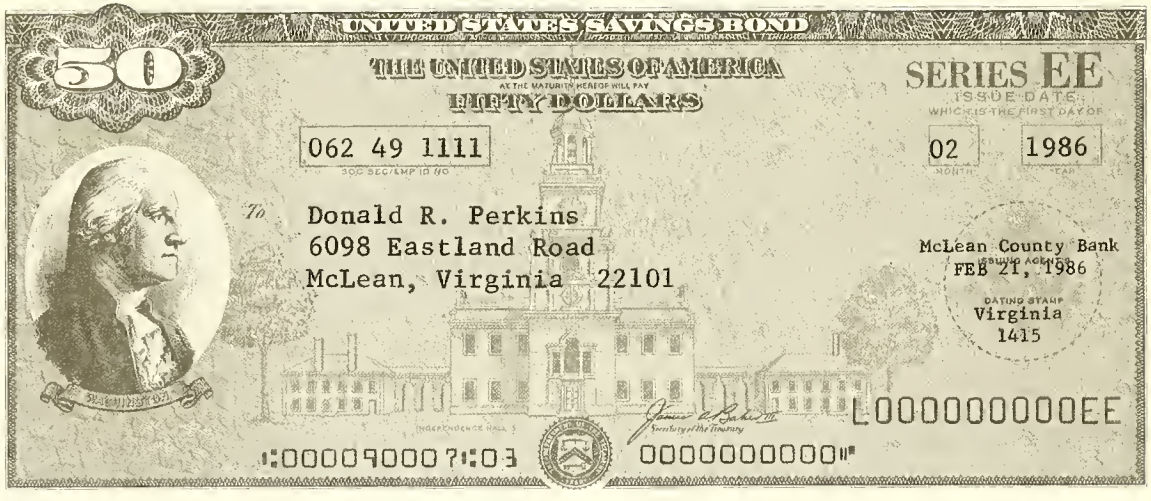
United States Savings Bonds Program Goals:

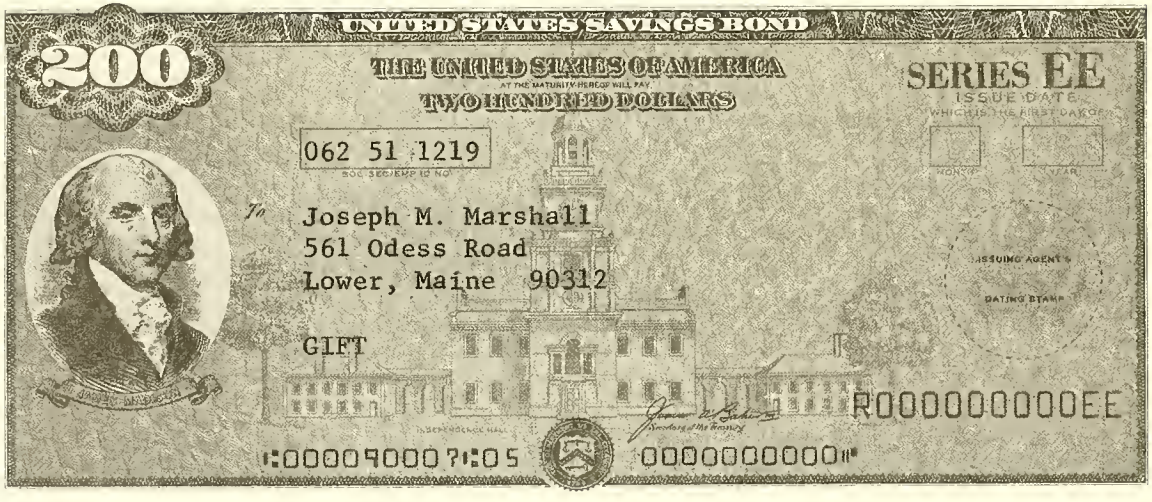
- To Meet our Nation's Economic Needs
- To Broaden the Base of the Public Debt

Advantages of Savings Bond Ownership

- Safety
- Convenience
- Profitability


UNITED STATES SAVINGS BOND
200
THE UNITED STATES OF AMERICA
AT THE MATURITY HEREOF WILL PAY
TWO HUNDRED DOLLARS
SERIES EE
ISSUE DATE
WHICH IS THE FIRST DAY OF
SOC. SEC. OR I.D. NO.
To
ISSUING AGENT'S
DATING STAMP
INDEPENDENCE HALL
R000000000EE
000009000705
0000000000


UNITED STATES SAVINGS BOND
50
THE UNITED STATES OF AMERICA
AT THE MATURITY HEREOF WILL PAY
FIFTY DOLLARS
SERIES EE
ISSUE DATE
WHICH IS THE FIRST DAY OF
062 49 1111
SOC SEC/EMP ID NO
02
MONTH
1986
YEAR
To
Donald R. Perkins
6098 Eastland Road
McLean, Virginia 22101
McLean County Bank
FEB 21, 1986
ISSUING AGENT
DATING STAMP
Virginia
1415
INDEPENDENCE HALL
Secretary of the Treasury
L0000000000EE
:00009000 7:03
0000000000"


UNITED STATES SAVINGS BOND
200
THE UNITED STATES OF AMERICA
AT THE MATURITY HEREOF WILL PAY
TWO HUNDRED DOLLARS
SERIES EE
ISSUE DATE
WHICH IS THE FIRST DAY OF
MONTH
YEAR
062 51 1219
SOC SEC/EMP ID NO
To
Joseph M. Marshall
561 Odess Road
Lower, Maine 90312
GIFT
ISSUING AGENT'S
DATING STAMP
R000000000EE
:000090007?:05
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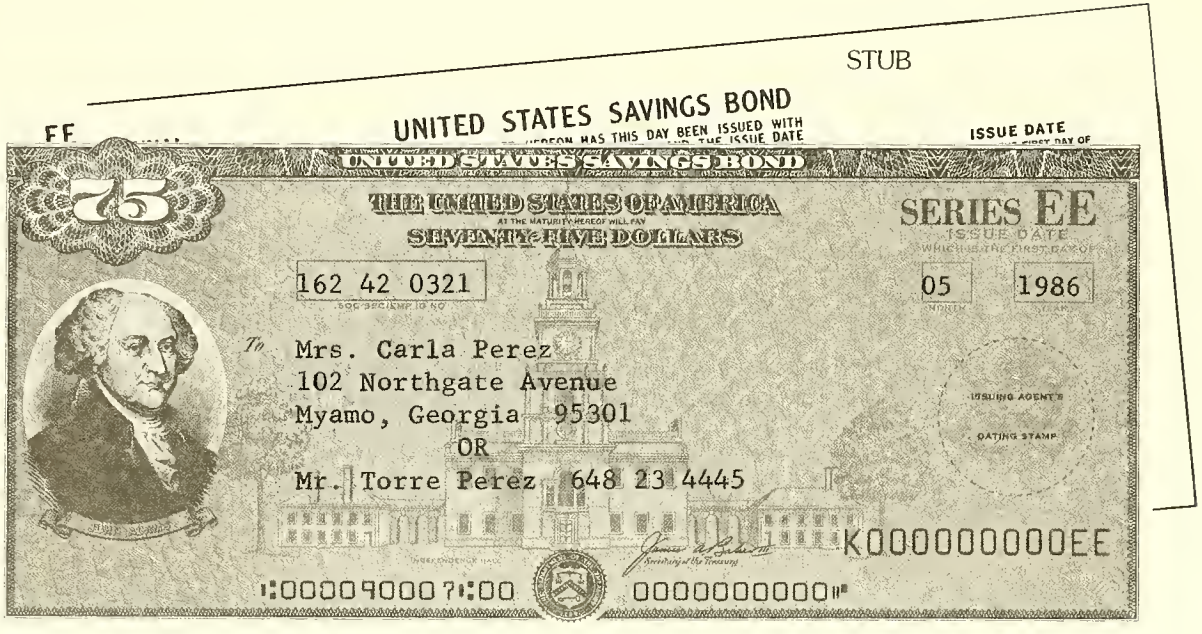
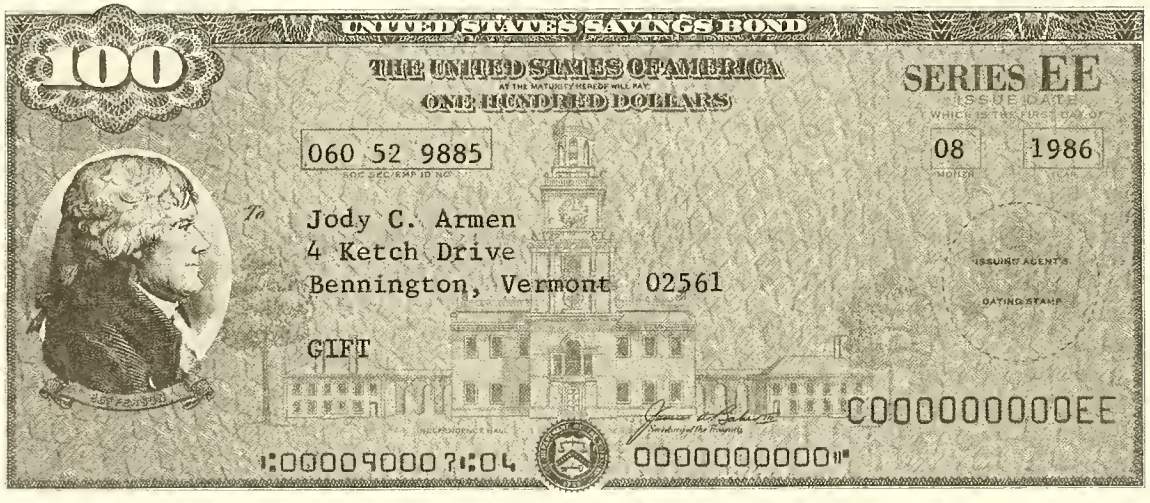

STUB
UNITED STATES SAVINGS BOND
ISSUE DATE
UNITED STATES SAVINGS BOND
THE UNITED STATES OF AMERICA
SEVENTY-FIVE DOLLARS
SERIES EE
ISSUE DATE
162 42 0321
05
1986
To Mrs. Carla Perez
102 Northgate Avenue
Myamo, Georgia 95301
OR
Mr. Torre Perez 648 23 4445
ISSUING AGENT'S
DATING STAMP
K0000000000EE


UNITED STATES SAVINGS BOND
100
THE UNITED STATES OF AMERICA
AT THE MATURITY HEREOF WILL PAY
ONE HUNDRED DOLLARS
SERIES EE
ISSUE DATE
WHICH IS THE FIRST DAY OF
060 52 9885
SOC SEC/EMP ID NO
08
MONTH
1986
YEAR
To
Jody C. Armen
4 Ketch Drive
Bennington, Vermont 02561
GIFT
ISSUING AGENT'S
DATING STAMP
C000000000EE
:000090007:04
0000000000"

Paying Agents may Redeem a Bond if . . .

- It is a Series A, B, C, D, E, or EE Bond, or Savings Note
- The Bond has Been Held for 6 Months
- The Owner is an Individual
- The Payee is Named as Owner or Coowner
- The Bond Appears Genuine and is not Defaced
- The Payee Requests the Full Amount of the Bond

Paying Agents Cannot Redeem . . .

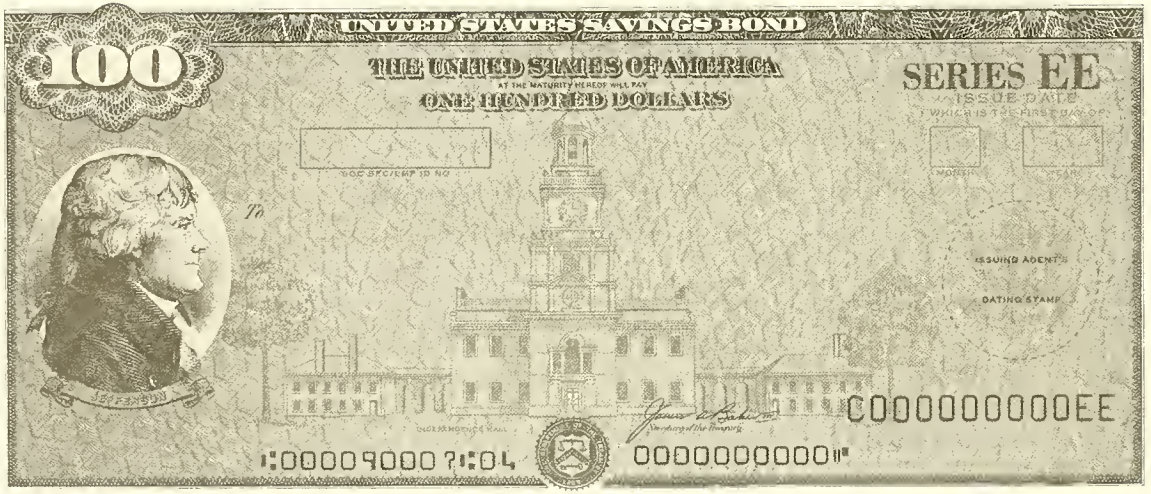
- Series EE Bonds Less than 6 Months Old
- Bonds Issued in the Name of a Guardian or Trustee
- Bonds Issued in the Name of a Corporation, Partnership, Association, etc.
- Any Bond Requiring Documentary Evidence
- Bonds of Series F, G, J, K, H, and HH
- Bonds that are Mutilated, Altered, or Defaced

To Cash a U.S. Savings Bond, You Need . . .

- The Payee's Signature and Current Address
- Adequate Proof of Payee's Identity
- The Payee's Social Security Number

Practical Exercise 1

On May 4, 1986, Mrs. Jonathan Burkett approaches your window at the Oakville Bank and Trust, Oakville, TN. She wishes to purchase a $100 Series EE Savings Bond for her nephew, Thomas Paul Burkett, as a birthday gift. His address is 1120 Elm St., Oakville, TN 53814. She wishes to name the boy's mother, Mrs. Sarah Burkett, as coowner. She does not know Tom's Social Security Number, but her own Social Security Number is 555-23-8065; Mrs. Sarah Burkett's Social Security Number is 556-89-0001. Your bank's code number is 02615. Mrs. Jonathan Burkett gives you $50 in cash as payment for the bond. Fill out the bond as you would type it for Mrs. Burkett.



Practical Exercise 2

Series EE and HH Savings Bonds: A Quick Comparison

	Series EE	Series HH
Denominations		
Issue Price		
Method of Purchase		
Place of Purchase		
Method of Interest Payment		
Interest Rate		

U.S. TREASURY LIBRARY
1 0060597

U.S. Savings Bonds Division
The Department of the Treasury